

ONTARIO  
SUPERIOR COURT OF JUSTICE

BETWEEN:

ROYAL BANK OF CANADA

Applicant

-and-

LAPLANTE WELDING OF CORNWALL INC.

Respondent

APPLICATION UNDER s. 101 of the Courts of Justice Act, R.S.O. 1990, c. C-43 and  
s. 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, ss. 67(1){a} and (e) of the  
Personal Property Security Act, R.S.O. 1990, c. P.10 and  
Rules 3 and 14.05(2), (3)(g) and (h) of the Rules of Civil Procedure

## APPLICATION RECORD

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Lawyers  
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Ottawa, ON K1R7Y2

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**TAB 1**

Court File No.

CV-18-00078176-0000

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SUPERIOR COURT OF JUSTICE

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APPLICATION UNDER s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43 and s. 243 (1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, ss. 67(1)(a) and (e) of the *Personal Property Security Act*, R.S.O. 1990, c. P.10 and Rules 3 and 14.05(2), (3) (g) and (h) of the *Rules of Civil Procedure*

**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 **Tuesday, October 30, 2018 at 2:00 p.m.**, at 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

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 two 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 OCT 19 2018

Issued by

  
Local Registrar

Address of

court office: 161 Elgin Street, Ottawa, Ontario, K2P 2K1

TO: **Laplante Welding of Cornwall Inc.**  
800 Second Street West  
Cornwall, ON K6J 1H6

c/o Andrew D. Ferguson  
MBC Law Professional Corporation  
265 Carling Avenue, Suite 500  
Ottawa, ON K1S 2E1  
Email: [aferguson@mbclaw.ca](mailto:aferguson@mbclaw.ca)

AND TO: **Service List attached**

## SERVICE LIST

1. **Canada Revenue Agency, Legal Services**  
555 McKenzie Road  
Ottawa, ON K1A 0L5
  
2. **Her Majesty In Right of Ontario Represented by the Minister of Finance**  
3-1400 Blair Place  
Ottawa, ON K1J 9B8
  
3. **Laplante Steel Structures Inc.**  
1400 Tenth Street  
Cornwall, ON K6H 5R5
  
4. **Canada Equipment Financing G.P. (9717688001) RS**  
2300 Meadowvale Boulevard, Suite 100  
Mississauga, ON L5N 5P9
  
5. **National Leasing Group Inc.**  
1525 Buffalo Place  
Winnipeg, MB R3T 1L9
  
6. **Business Development Bank of Canada**  
Manulife Place, 55 Metcalfe Street  
Ottawa, ON K1P 6L5  
  
c/o Sam P. Rappos  
Chaitons LLP  
5000 Yonge Street, 10<sup>th</sup> Floor  
Toronto, ON M2N 7E9  
Email: [samr@chaitons.com](mailto:samr@chaitons.com)
  
7. **Cornwall & The Counties Community Futures Development Corporation**  
850 Boundary Road, Suite 9  
South Glengarry, ON K6J 7P6
  
8. **Wells Fargo Equipment Finance Company**  
1290 Central Parkway West, Suite 1100  
Mississauga, ON L5C 4R3
  
9. **Atco Structures & Logistics Ltd.**  
115 Peacekeepers Drive SW  
Calgary, AB T3E 7X4

## APPLICATION

1. The Applicant, Royal Bank of Canada (the “Bank”), makes application for:
  - (a) an Order, if necessary, dispensing with service and filing of the within Application, declaring that service of this Application has been validly effected on all necessary parties and declaring that this Application is properly returnable on **Tuesday, October 30, 2018 at 2:00 p.m.** in Ottawa, Ontario, or as soon thereafter as this Application can be heard;
  - (b) an Order pursuant to s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 and/or s. 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3 and/or ss. 67(1) (a) and (e) of the *Personal Property Security Act* R.S.O. 1990 c.P.10 appointing Raymond Chabot Inc. (“RCI”) as Court-Appointed Receiver and Receiver/Manager (in such capacity, the “Receiver”), without security, over all of the assets, undertakings and property (collectively, the “Property”) of the Respondent;
  - (c) an Order ancillary to the Receivership requested above in the form of the draft Order annexed hereto as Schedule “A”, as a result of the circumstances described in the Affidavits filed in support of this Application;
  - (d) costs of the Application on a substantial indemnity basis; and
  - (e) such further and other Relief as this Honourable Court may deem just.
2. The grounds for the application are:

### The Parties

- (a) The Bank is a chartered bank which provides, amongst other services, financing to business corporations. At all material times, the Bank had a banking

relationship with the Respondent, Normand Excavation Inc. (the "Company"), and was constituted as a secured creditor of the Company;

- (b) The Company is a corporation incorporated pursuant to the laws of Ontario and operates as a steel structure contractor. At all material times, the Company was indebted to the Bank pursuant to the loan and security instruments described below;

### **The Bank's Loans**

- (c) Pursuant to a letter of offer of credit dated August 25, 2014, as thereafter amended from time to time, the Bank granted to the Company the following credit facilities (the "Credit Facilities"):

- (i) A revolving demand facility in the amount of \$1,950,000.00;
- (ii) A non-revolving term facility in the amount of \$400,000.00;
- (iii) Various demand loans; and
- (iv) A Business Visa Facility in the maximum amount of \$70,000.00.

- (d) The Credit Facilities provide, among other things:

- (i) The revolving demand facility, the demand loans and the Business Visa Facility are repayable on demand;
- (ii) The term facility was repayable upon maturity;
- (iii) The Company must comply with certain covenants, including:
  - (1) Limiting borrowings under the revolving demand facility to less than the aggregate of 75% of good accounts receivable and 50% of the less of cost or net realizable value of unencumbered inventory (to a maximum of \$300,000), less any potential prior-ranking claims (the "Borrowing Limit");
  - (2) Maintaining a debt-service coverage ratio of 1.25:1 ("DSC Covenant"); and

- (3) Maintaining a ratio of total liabilities to tangible net worth of no greater than 2.75:1 ("**Net Worth Covenant**").
- (iv) The Company is required to comply with certain financial reporting requirements to the Bank;
- (v) It is an event of default, entitling the Bank to cancel the Credit Facilities, demand repayment in full, and to realize on its security if, among other things:
  - (1) The Company fails to pay to the Bank any principal, interest or other amount as and when due;
  - (2) The Company fails to observe any covenant, term or condition contained in the Credit Facilities or Security (as hereinafter defined);
  - (3) There is a material deterioration in the financial condition of the Company.

#### **The Bank's Security**

- (e) It was a condition of the granting of the Credit Facilities by the Bank to the Company that the Company grant amongst other security (the "**Security**"), a General Security Agreement from the Company in favour of the Bank granting a security interest over the Company's assets (the "**GSA**");
- (f) The Bank's Security expressly provides that it is entitled to appoint a receiver in the event of default;
- (g) The Bank's security interest granted by the GSA was perfected by registration pursuant to the PPSA on September 15, 2006. In addition to the Bank, there are another 7 creditors that have registered security interests in respect of certain of the Company's personal property;

## **Transfer to SLAS**

- (h) Given excesses and delinquencies on the Credit Facilities, consistently high loan utilization and the Company's failure over two consecutive quarters to provide to the Bank required financial reporting in accordance with the terms of the Credit Facilities and the Security, the Company's accounts were initially referred to the Bank's Special Loans and Advisory unit on or about July 26, 2018;
- (i) As a result, the Bank met with the Company's principal, Kevin Laplante and his advisors, Pierre Marchand of MNP Ltd. and Art Zentner of BGM Services on August 1, 2018. The Bank's concerns were discussed during this meeting and the Bank confirmed that the Bank would require various financial information and reporting, along with a detailed and specific restructuring plan;
- (j) During this meeting, Mr. Marchand delivered to the Bank a "Preliminary Review of the Financial Situation and Restructuring Plan" of the Company, which confirmed:
  - (i) As of June 30, 2018, the Company had experienced significant cost overruns on projects as a result of which the Company's losses of \$4.2 million in the 9 months ended June 30, 2018 offset the 2016 and 2017 earnings for a cumulative loss in the preceding three years exceeding \$3.7 million. Once reported, this would have likely resulted in the Company being in breach of the DSC Covenant and the Net Worth Covenant;
  - (ii) According to the Company, the cost overruns resulted in the Company reporting accounts payable and accrued liabilities as of June 30, 2018 totaling \$5,899,000. By comparison, accounts receivable were then reported to total \$3,731,000, of which \$3,559,000 were deemed to be doubtful since they were subject to holdback and lien claims of various owners, contractors and subcontractors. According to the Company, the

value of the accounts receivable, "net of the claims from suppliers is" \$1 million. As a result, the Company reported a Borrowing Limit deficit of - \$1,855,000, such that the company was in breach of that covenant;

(iii) The value of the Company's inventory was noted to be \$942,000. However, a subsequent inventory count performed at the Bank's request during this August 1<sup>st</sup> meeting confirmed that the actual value of the inventory was \$464,000;

(iv) In addition to the foregoing, the Company reported potential priority claims, such as source deductions and WSIB remittances, totaling \$270,000, which constitutes a breach of the Credit Facilities and Security;

(k) Following this meeting, the Company proposed the following restructuring plan:

(i) It would grant the Bank a second-ranking mortgage on a property owned by the Company's holding company, estimating that the equity in this property was \$1 million. Since then, however, the Bank has confirmed that there is no equity in this property and no second-ranking mortgage has therefore been granted to the Bank;

(ii) The Bank's exposure would be reduced by: the sale of excess equipment estimated to be worth \$750,000 within 1-3 months; the collection of the "Dymon" accounts receivable estimated to be \$450,000 within 3-6 months (see below); and new financing with an asset based lender for \$1,000,000 with 1-6 months;

(iii) The Company also proposed selling certain excess equipment but that the "Company needs to use the proceed[s] of approximately \$150K from the sale of small equipment to finance the transitional period". This would mean that the sale of assets subject to the Bank's Security would be used by the Company to finance operational losses;

- (iv) The Company would also attempt to complete ongoing construction projects to have holdbacks and accounts receivable released to attempt to repay the Bank in part. Again, it was proposed that certain accounts receivable subject to the Bank's Security would be used to finance ongoing operational losses. The accounts receivable relating to the Dymon projects (the "Dymon Projects") would be used to repay the Bank;
- (v) The Company would need to restructure its affairs under the BIA if it was "unable to meet its obligations as they become due";

**The Company Provides Some Financial Information Confirming it is Insolvent**

- (l) The financial information requested from the Company included the outstanding quarterly reporting for March and June 2018 under the Credit Facilities including Company prepared financial statements, aged accounts receivable listing, aged accounts payable listing, Borrowing Limit certificates required pursuant to the Credit Facilities, and statements of account in respect of priority payables;
- (m) In response to the Bank's request for financial information and documentation, the Company and its advisors provided some financial reporting on August 10, 2018, which confirms the following:
  - (i) **Accounts Receivable:** As at June 30, 2018, the Company's accounts receivable were reported to total \$3,645,736.44. Notably, \$1,894,676.94 or 52% of these accounts receivable were over 60 days past due or were subject to holdback claims;
  - (ii) **Accounts Payable:** As at June 30, 2018, the Company's accounts payable totaled \$5,672,816.81 and the aged reporting confirmed that \$4,085,610.36 or 72% of the accounts payable were payables over 60 days past due or subject to holdback claims;

- (iii) **Borrowing Limit Certificate:** pursuant to this certificate Mr. Laplante, on behalf of the Company, certified and confirmed a Borrowing Limit deficit of **-\$1,778,365.82** thus confirming a significant breach of the Borrowing Limit covenant;
- (iv) **Priority Payables:** The Company's reporting as at June 30, 2018 confirmed priority claims, including source deduction, WSIB and other remittances, exceeded **\$300,000**;

### **Recent Developments**

- (n) On August 20, 2018, the Company filed a Notice of Intention to Make a Proposal pursuant to ss. 50.4(1) of the BIA. To date, no proposal has been filed by the Company and on September 10, 2018, the Court issued an Order extending the deadline to file the proposal by 45 days to November 5, 2018;
- (o) In support of its proposal proceedings under the BIA and of its proposed restructuring plan with the Bank, the Company delivered to the Bank the cash flow statement ending March 1, 2019. The Bank is unable to support the cash flow statement and the Company's proposed restructuring plan supported by the said statement since:
  - (i) The sale of equipment is projected to generate **\$856,553** by the end of October 2018, yet no equipment has been sold to date. Moreover, as noted above, the sale of equipment subject to the Bank's security would be used in part to fund operational losses;
  - (ii) The collection of accounts receivable is projected to generate **\$3,165,518** by December 2018. However, this would require the Dymon Projects to be completed and the holdbacks with respect thereto released. For the reasons detailed below, the Bank has no confidence that this will materialize. Moreover, as noted above, the collection of certain accounts

receivable subject to the Bank's Security would be used by the Company to fund operational losses;

(iii) Professional "consultant" and "restructuring" fees totaling \$363,000 would be paid to the Company's consultants in priority to the Bank, which is the Company's primary secured creditor;

(iv) Priority claims are not reduced and projected to increase from a low of \$307,826 in August 2018 to a high of \$373,924 in December 2018;

(p) Given that the Company's restructuring plan contemplates the Bank being repaid in part following completion of the Dymon Projects, the Bank retained Altus Group Limited ("Altus"), a construction project and contract consultant, to review the Dymon contracts and confirm the costs and time to complete the Dymon Projects and the likelihood of the Bank recovering pursuant to those projects;

(q) Altus delivered a report to the Bank dated October 15, 2018. In its report, Altus raises several significant and troubling issues with respect to the Dymon Projects, including the following:

(i) Altus concludes that the Company is significantly underestimating the time required to complete the projects;

(ii) Altus also concludes that the Company is significantly underestimating the costs required to complete the Dymon Projects;

(iii) Altus is also of the view that the Company is overestimating the net amount that might be paid to it in once the projects were completed;

(iv) Altus also confirmed that the Company failed to provide it with various information and documentation requested by it in completing its review;

- (r) In light of the foregoing, the Bank has no confidence that the Company will achieve any meaningful recovery on the Dymon Projects to repay the Bank and that in the interim the Bank's position will continue to further deteriorate;

**Defaults under the Credit Facilities and Security, and Demands for Payment**

- (s) As a result of various ongoing defaults by the Company under the Credit Facilities, the Bank demanded payment of the Credit Facilities by letters dated August 3, 2018 for payment of the entire indebtedness owing by the Company and the guarantors to the Bank by August 13, 2018. The Bank further delivered to the Company a Notice of Intention to Enforce Security ("NITES") in accordance with section 244 of the BIA;
- (t) As of October 9, 2018, the Company's aggregate indebtedness to the Bank pursuant to the Credit Facilities totals \$1,880,895.84, exclusive of further accrued interest, fees, disbursements and costs;

**The Necessity for the Appointment of a Receiver**

- (u) The Bank's original demand for payment and NITES expired approximately 2 months ago on August 13, 2018, such that the Bank is entitled to enforce the Security;
- (v) Further, the Bank is contractually and statutorily entitled to the appointment of a Receiver pursuant to the Bank's Credit Facilities and Security, and the BIA and PPSA given the Company's numerous defaults as outlined herein;
- (w) The Company is significantly indebted to the Bank in the amount of \$1,880,895.84 as of October 9, 2018;
- (x) As outlined above, the Company has demonstrated that it has been unable to refinance or divest of its assets in order to repay the Bank. Moreover, the

**Company's restructuring plan is unsatisfactory to the Bank such that the Bank will not support it;**

- (y) The Company has further demonstrated that it is unable to fulfill its financial and other obligations to the Bank and its numerous other creditors to which the Company is indebted in the approximate amount of \$7,554,000. By way of specific examples:**
  - (i) There are serious concerns about the Company's ability to complete the Dymon Projects without suffering further losses and the Bank's position will continue to deteriorate in the interim;**
  - (ii) The Company is unable to meet its source deduction obligations, along with other priority payables, which imperils the Bank's security since they would be paid in priority to the Bank;**
  - (iii) The Company is unable to generate sufficient revenue to service its significant debts, even under its proposal proceedings the Company cannot meet its liabilities as they become due and is insolvent;**
- (z) The Company has also failed to provide the Bank with the following financial reporting as is required pursuant to the express terms of the Credit Facilities and Security:**
  - (i) Quarterly in-house financial statements for the Company for the period ending June 30, 2018, which were due within 45 days of the that date and which have been repeatedly requested by the Bank;**
  - (ii) Internal financial statements for the period ending July and August 2018 as requested by the Bank;**
  - (iii) Updated listing of all priority payable and aged accounts payable listing as requested by the Bank;**

(iv) As outlined above, the Company has also failed to provide various information and documentation required by Altus;

As a result, the Bank cannot adequately assess its risk and this failure to provide this financial information and disclosure constitutes an event of default pursuant to the Credit Facilities and Security;

(aa) In the circumstances, the Bank has come to the conclusion that it can no longer hold-off on enforcing the Security as it has become apparent that no reasonable or realistic repayment or refinancing or restructuring scenario exists;

(bb) Moreover in light of the foregoing, the Bank has lost confidence in the Company;

(cc) The foregoing confirms that the security held by the Bank is in jeopardy and it is necessary for a Receiver to take control of the assets, undertakings and property of the Company to ensure the Company's assets are dealt with in an orderly and proper manner. In this regard, RCI, a duly qualified Receiver, has consented to act as Court-Appointed Receiver of the Company;

(dd) In light of the foregoing, the appointment of a receiver is just and equitable in the circumstances and necessary for the protection of the Company's property and for the protection of the interests of all stakeholders;

(ee) Section 101 of the *Courts of Justice Act*;

(ff) Subsections 243 (1) and 243(1.1)(b) of the *Bankruptcy and Insolvency Act*;

(gg) Subsections 67(1)(a) and (e) of the *Personal Property Security Act*;

(hh) Rules 14.05(2), (3) (g) and (h) of the *Rules of Civil Procedure*; and

(ii) Such further and other grounds as counsel may advise.

3. The following documentary evidence will be used at the hearing of the Application:

- (a) The Affidavit of Wajahat Mahmood, sworn on October 16, 2018 and the Exhibits thereto;
- (b) The Consent of RCI to act as Court-Appointed Receiver/Manager; and
- (c) Such further and other evidence as the lawyers for the Applicant may advise and this Honourable Court may permit.

Date: October 19, 2018

**SOLOWAY WRIGHT LLP**  
Lawyers  
700-427 Laurier Avenue West  
Ottawa, ON K1R 7Y2

**André A. Ducasse (#44739R)**  
613-236-0111 telephone  
613-238-8507 facsimile

Lawyers for the Applicant, Royal Bank of  
Canada

**SCHEDULE "A"**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

) \_\_\_\_\_ DAY, THE \_\_\_\_ DAY

JUSTICE

)  
) OF \_\_\_\_\_, 2018.

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

LAPLANTE WELDING OF CORNWALL INC.

Respondent

**ORDER**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Raymond Chabot Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of the Respondent (hereinafter the "Debtor") acquired for, or used in relation to the Respondent's operations, was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the Affidavit of Wajahat Mahmood, sworn on October 16, 2018 and the Exhibits thereto, the Factum and Authorities of the Applicant, on hearing the submissions of counsel for the parties, no one appearing on behalf of any other creditors on the Service List although duly served as appears from the Affidavit of Service of Roxanne Chapman sworn on \_\_\_\_

\_\_\_\_\_ and on reading the consent of Raymond Chabot Inc., dated October 16, 2018, to act as the Receiver in respect of the assets of the Respondent referred to herein,

### **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 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, **MNP Ltd.** is hereby appointed Receiver, without security, of all of the assets, undertakings and properties (the "Property") of the Debtor acquired for, or used in relation to the Debtor's business operations.

### **RECEIVER'S POWERS**

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and

to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (k) 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;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$\_\_\_\_\_, provided that the aggregate consideration for all such transactions does not exceed \$\_\_\_\_\_;  
and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) 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;

- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and
- (t) to assign the Debtor into bankruptcy;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations,

governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other

system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE RECEIVER**

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement,

licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

#### **CONTINUATION OF SERVICES**

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

12. 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.

## **PIPEDA**

13. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

14. 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**

15. 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**

16. 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, 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.

17. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

18. 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 normal 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**

19. 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 \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. 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.

21. 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.

22. 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.

## **GENERAL**

23. 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.

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

25. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

26. 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.

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

28. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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## RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that **MNP Ltd.**, the receiver (the "Receiver") of all of the assets, undertakings and properties of the Debtor, acquired for, or used in relation to the Property appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the \_\_\_\_ day of \_\_\_\_\_, 2018 (the "Order") made in an action having Court file number \_\_\_\_\_, 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 after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at \_\_\_\_\_, 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\_\_\_\_.

[\_\_\_\_\_]

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

Name:

Title:

Debtor/Firm:

ROYAL BANK OF CANADA

-and- LAPLANTE WELDING OF CORNWALL INC.

Applicant

Respondent

APPLICATION UNDER s. 101 of the *Courts of Justice Act*, R.S.O. 1990, c.C-43 and s. 243 (1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, ss. 67(1)(a) and (e) of the *Personal Property Security Act*, R.S.O. 1990, c. P.10 and Rules 14.05(2), (3) (g) and (h) of the *Rules of Civil Procedure*

Court File No.

CV-18-00078176-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT OTTAWA

**NOTICE OF APPLICATION**

**SOLOWAY WRIGHT LLP**

Lawyers

700-427 Laurier Avenue West  
Ottawa, ON K1R 7Y2

**André A. Ducasse (#44739R)**

613-236-0111 telephone  
613-238-8507 facsimile

Lawyers for the Applicant, Royal Bank of Canada

**TAB 2**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**ROYAL BANK OF CANADA**

**Applicant**

**- and -**

**LAPLANTE WELDING OF CORNWALL INC.**

**Respondent**

**AFFIDAVIT OF WAJAHAT MAHMOOD  
(sworn on October 16, 2018)**

I, Wajahat Mahmood, of the Town of Oakville, in the Province of Ontario, MAKE OATH AND SAY as follows:

1. I am a Manager in the Special Loans and Advisory Services ("SLAS") unit of the Applicant, Royal Bank of Canada (the "Bank"). I have primary responsibility for the administration of the credit facilities granted by the Bank to the Respondent, Laplante Welding of Cornwall Inc. (the "Company"). As such, I have personal knowledge of the matters to which I hereinafter depose, except where such knowledge is stated to be based on information and belief, in which case I confirm the source of my information and belief, and verily believe same to be true.
2. I make this Affidavit in support of the Bank's Application for an order appointing Raymond Chabot Inc. ("RCI") as receiver, without security, of the assets, undertakings and properties of the Company pursuant to the provisions of the *Bankruptcy and Insolvency Act* (the "BIA"), the *Personal Property Security Act* (the "PPSA") and the *Courts of Justice Act*.

**The Parties**

3. The Bank is a chartered bank which provides, amongst other services, financing to business corporations. At all material times, the Bank had a banking relationship with the Company and was constituted as a secured creditor of the Company pursuant to the loan and security instruments described below.

4. The Company is a corporation incorporated pursuant to the laws of Ontario, and operates as a steel structure contractor. At all material times, the Company was indebted to the Bank pursuant to the loan and security instruments described below. Attached hereto as Exhibit "A" is a true copy of the corporate profile report for the Company.

**The Bank's Loans**

5. Pursuant to a letter of offer of credit dated August 25, 2014, as thereafter amended from time to time, the Bank granted to the Company the following credit facilities (the "Credit Facilities"):

- a. A revolving demand facility in the amount of \$1,950,000.00;
- b. A non-revolving term facility in the amount of \$400,000.00;
- c. Various demand loans; and
- d. A Business Visa Facility in the maximum amount of \$70,000.00.

A true copy of the Credit Facilities is attached as Exhibit "B".

6. The Credit Facilities provide that, among other things:

- a. The revolving demand facility, the demand loans and the Business Visa Facility are repayable on demand;
- b. The term facility was repayable upon maturity;

- c. **The Company must comply with certain covenants, including:**
- i. **Limiting borrowings under the revolving demand facility to less than the aggregate of 75% of good accounts receivable and 50% of the less of cost or net realizable value of unencumbered inventory (to a maximum of \$300,000), less any potential prior-ranking claims (the "Borrowing Limit");**
  - ii. **Maintaining a debt-service coverage ratio of 1.25:1 ("DSC Covenant"); and**
  - iii. **Maintaining a ratio of total liabilities to tangible net worth of no greater than 2.75:1 ("Net Worth Covenant").**
- d. **The Company is required to comply with certain financial reporting requirements to the Bank;**
- e. **It is an event of default, entitling the Bank to cancel the Credit Facilities, demand repayment in full, and to realize on its security if, among other things:**
- i. **The Company fails to pay to the Bank any principal, interest or other amount as and when due;**
  - ii. **The Company fails to observe any covenant, term or condition contained in the Credit Facilities or Security (as hereinafter defined);**
  - iii. **There is a material deterioration in the financial condition of the Company.**

### **The Bank's Security**

7. **It was a condition of the granting of the Credit Facilities by the Bank to the Company that the Company grant, amongst other security (the "Security"), a General Security Agreement from the Company in favour of the Bank granting a security interest over the Company's assets (the "GSA"). Attached hereto as Exhibit "C" is a true copy of the GSA dated September 21, 2006.**

8. The Bank's Security expressly provides that it is entitled to appoint a receiver in the event of default (see para. 13(a) of the GSA).

9. The Bank's security interest granted by the GSA was perfected by registration pursuant to the PPSA on September 15, 2006. The results of the October 15, 2018 search of the PPSA registry are attached hereto as Exhibit "D". The search results confirm that, in addition to the Bank, there are another 7 creditors that have registered security interests in respect of certain of the Company's personal property.

#### **Transfer to SLAS**

10. Given excesses and delinquencies on the Credit Facilities, consistently high loan utilization and the Company's failure over two consecutive quarters to provide to the Bank required financial reporting in accordance with the terms of the Credit Facilities and the Security, the Company's accounts were initially referred to the Bank's SLAS unit on or about July 26, 2018.

11. As a result, I, along with my colleague, Jason Zomok, met with the Company's principal, Kevin Laplante and his advisors, Pierre Marchand of MNP Ltd. and Art Zentner of BGM Services on August 1, 2018. The Bank's concerns were discussed during this meeting and the Bank confirmed that the Bank would require various financial information and reporting, along with a detailed and specific restructuring plan.

12. During this meeting, Mr. Marchand delivered to the Bank a "Preliminary Review of the Financial Situation and Restructuring Plan" of the Company, a copy of which is attached hereto as Exhibit "E". This report confirmed the following:

- a. As of June 30, 2018, the Company had experienced significant cost overruns on projects as a result of which the Company's losses of \$4.2 million in the 9 months ended June 30, 2018 offset the 2016 and 2017 earnings for a cumulative loss in the preceding three years exceeding \$3.7 million. These losses "wiped the equity of the Company". Once reported, this would have likely resulted in the Company being in breach of the DSC Covenant and the Net Worth Covenant.

- b. According to the Company, the cost overruns resulted in the Company reporting accounts payable and accrued liabilities as of June 30, 2018 totaling \$5,899,000.
  - c. By comparison, accounts receivable were then reported to total \$3,731,000, of which \$3,559,000 were deemed to be doubtful since they were subject to holdback and lien claims of various owners, contractors and subcontractors. According to the Company, the value of the accounts receivable, "net of the claims from suppliers is" \$1 million. As a result, the Company reported a Borrowing Limit deficit of -\$1,855,000, such that the company was in breach of that covenant.
  - d. The value of the Company's inventory in this presentation was noted to be \$942,000. However, a subsequent inventory count performed at the Bank's request during this August 1<sup>st</sup> meeting confirmed that the actual value of the inventory was \$464,000.
  - e. In addition to the foregoing, the Company reported potential priority claims, such as source deductions and WSIB remittances, totaling \$270,000. This also constitutes a breach of the Credit Facilities and Security.
13. Following this meeting, the Company proposed the following restructuring plan in its updated report dated August 14, 2018, a true copy of which is attached hereto as Exhibit "F":
- a. It would change its business model to refocus its work from "project-based" work to "sub-fabrication" work in an effort to decrease risk.
  - b. It would grant the Bank a second-ranking mortgage on a property owned by the Company's holding company, estimating that the equity in this property was \$1 million. Since then, however, the Bank has confirmed that there is no equity in this property and no second-ranking mortgage has therefore been granted to the Bank.
  - c. The Bank's exposure would be reduced by: the sale of excess equipment estimated to be worth \$750,000 within 1-3 months; the collection of the "Dymon" accounts receivable estimated to be \$450,000 within 3-6 months (further explained below); and new financing with an asset based lender for \$1,000,000 with 1-6 months.

- d. The Company also proposed selling certain excess equipment but that the “Company needs to use the proceed[s] of approximately \$150K from the sale of small equipment to finance the transitional period”. This would mean that the sale of assets subject to the Bank’s Security would be used by the Company to finance operational losses.
- e. The Company would also attempt to complete ongoing construction projects to have holdbacks and accounts receivable released to attempt to repay the Bank in part. Again, it was proposed that certain accounts receivable subject to the Bank’s Security would be used to finance ongoing operational losses. The accounts receivable relating to the Dymon projects (the “Dymon Projects”) would be used to repay the Bank.
- f. The Company would need to restructure its affairs under the BIA is it was “unable to meet its obligations as they become due”.

**The Company Provides Some Financial Information Confirming it is Insolvent**

14. The financial information requested from the Company following the August 1, 2018 meeting included, amongst other things, the outstanding quarterly reporting for March and June 2018 under the Credit Facilities including Company prepared financial statements, aged accounts receivable listing, aged accounts payable listing, Borrowing Limit certificates required pursuant to the Credit Facilities, and statements of account in respect of priority payables.

15. In response to the Bank’s request for financial information and documentation, the Company and its advisors provided some financial reporting on August 10, 2018, which confirms the following:

- a. **Accounts Receivable:** As at June 30, 2018, the Company’s accounts receivable were reported to total \$3,645,736.44. Notably, \$1,894,676.94 or 52% of these accounts receivable were over 60 days past due or were subject to holdback claims.
- b. **Accounts Payable:** As at June 30, 2018, the Company’s accounts payable totaled \$5,672,816.81 and the aged reporting confirmed that \$4,085,610.36 or 72% of the accounts payable were payables over 60 days past due or subject to holdback claims.

- c. **Borrowing Limit Certificate:** pursuant to this certificate Mr. Laplante, on behalf of the Company, certified and confirmed a Borrowing Limit deficit of **-\$1,778,365.82** thus confirming a significant breach of the Borrowing Limit covenant.
- d. **Priority Payables:** The Company's reporting as at June 30, 2018 confirmed priority claims, including source deduction, WSIB and other remittances, exceeded **\$300,000**.

The foregoing is confirmed in the Company's financial reporting, a true copy of which is attached hereto as Exhibit "G".

### **Recent Developments**

16. On August 20, 2018, the Company filed a Notice of Intention to Make a Proposal pursuant to ss. 50.4(1) of the BIA, as is confirmed by the certificate of filing attached hereto as Exhibit "H".

17. To date, no proposal has been filed by the Company and on September 10, 2018, the Court issued an Order extending the deadline to file the proposal by 45 days to November 5, 2018. Attached hereto in this regard as Exhibit "I" is the Order of the Honourable Mr. Justice Hackland dated September 10, 2018.

18. In support of its proposal proceedings under the BIA and of its proposed restructuring plan with the Bank, the Company delivered to the Bank the cash flow statement ending March 1, 2019 attached hereto as Exhibit "J". For the following reason, the Bank is unable to support the cash flow statement and the Company's proposed restructuring plan supported by the said statement:

- a. The sale of equipment is projected to generate \$856,553 by the end of October 2018, yet no equipment has been sold to date. Moreover, as noted above, the sale of equipment subject to the Bank's security would be used in part to fund operational losses.
- b. The collection of accounts receivable is projected to generate \$3,165,518 by December 2018. However, this would require the Dymon Projects to be completed and the

holdbacks with respect thereto released. For the reasons detailed below, the Bank has no confidence that this will materialize. Moreover, as noted above, the collection of certain accounts receivable subject to the Bank's Security would be used by the Company to fund operational losses.

- c. Professional "consultant" and "restructuring" fees totaling \$363,000 would be paid to the Company's consultants in priority to the Bank, which is the Company's primary secured creditor.
- d. Priority claims are not reduced and projected to increase from a low of \$307,826 in August 2018 to a high of \$373,924 in December 2018.

19. Given that the Company's restructuring plan contemplates the Bank being repaid in part following completion of the Dymon Projects, the Bank retained Altus Group Limited ("Altus"), a construction project and contract consultant, to review the Dymon contracts and confirm the costs and time to complete the Dymon Projects and the likelihood of the Bank recovering pursuant to those projects.

20. Altus delivered a report to the Bank dated October 15, 2018, attached hereto as Exhibit "K". In its report, Altus raises several significant and troubling issues with respect to the Dymon Projects, including the following:

- a. Altus concludes that the Company is significantly underestimating the time required to complete the projects. It expresses these conclusions as follows (pp. 6 &9):

With regards to Schedule, we are of the opinion Laplante will require several months to complete the outstanding works, and in particular the Block 7 works. The fabrication of most of the Block 7 area was not started, based on advice from Laplante, and as such it would appear unlikely works in this area could commence as we would anticipate a lag of weeks between the start of fabrication and the timing of the delivery of the materials to site. We are not sure whether or not Laplante have already procured the materials for fabrication. Leeswood (the Construction Manager on site) indicated they were awaiting a revised schedule from Laplante and Dymon, but based on our site visit the target date of late October 2018<sup>9</sup> for completion on the remaining scope of work under their contract is not achievable. [...]

We have requested a copy of the Dymon/Laplante construction schedule. We were advised that a construction schedule would be provided today (not yet received) which would detail a 4 to 5 week schedule for the works to enclose the building envelope for weather related purposes. This schedule will not be sufficient as we need a construction schedule that will detail the milestones and durations for all remaining scope under the Laplante contract. In absence of this schedule we can confirm that the contract will not be completed over the next 4 to 5 weeks and may extend into 2019 based on current progress on-site and scope of works that are yet to be awarded or fabricated.

- b. Altus also concludes that the Company is significantly underestimating the costs required to complete the Dymon Projects. In this regard, Altus writes (p. 7):

Based on our review of the available documentation we have established high level cost-to-complete amounts for the three sites summarized below. [...]

The [Company's] summary details balance of work to be completed under the contracts and extras of \$356,001. [...] Based on our site visits and estimated cost-to-complete we opine that this cost-to-complete appears to be understated. Our estimate above reflects an estimated cost-to-complete of \$1,172,500, a variance of \$816,499.

- c. Altus is also of the view that the Company is overestimating the net amount that might be paid to it in once the projects were completed. As stated by Altus (p. 7):

BGM Services [the Company's restructuring advisor] provided a copy of the Dymon Contracts Reconciliation Summary dated October 10, 2018. This summary outlines contracts, extras, work completed to date, holdbacks, payments to date, lien claims cash secured by Dymon, Back charge claims by Dymon and summarized a net amount payable to Laplante of \$542,025. Our general observation is that we disagree with this amount payable to Laplante as the estimated cost-to-complete under the contract amount is significantly understated on the summary.

- d. Altus also confirmed that the Company failed to provide it with various information and documentation requested by it in completing its review. By way of examples, despite repeated and ongoing requests by Altus, the Company failed to deliver amongst other things: project contracts; details and documentation with respect to contract extras; progress billings information/documentation; details with respect to back charges; aged payables list; particulars of payments made to date; and a detailed construction schedule.

21. In light of the foregoing, the Bank has no confidence that the Company will achieve any meaningful recovery on the Dymon Projects to repay the Bank and that in the interim the Bank's position will continue to further deteriorate.

**Defaults under the Credit Facilities and Security, and Demands for Payment**

22. As a result of various ongoing defaults by the Company under the Credit Facilities, the Bank demanded payment of the Credit Facilities by letters dated August 3, 2018 for payment of the entire indebtedness owing by the Company and the guarantors to the Bank by August 13, 2018. The Bank further delivered to the Company a Notice of Intention to Enforce Security ("NITES") in accordance with section 244 of the BIA. Attached hereto as Exhibit "L" is a true copy of the Bank's demand letter to the Company enclosing the NITES.

23. As of October 9, 2018, the Company's aggregate indebtedness to the Bank pursuant to the Credit Facilities totals \$1,880,895.84, exclusive of further accrued interest, fees, disbursements and costs.

**The Necessity for the Appointment of a Receiver**

24. The Bank's original demand for payment and NITES expired approximately 2 months ago on August 13, 2018, such that the Bank is entitled to enforce the Security.

25. Further, the Bank is contractually and statutorily entitled to the appointment of a Receiver pursuant to the Bank's Credit Facilities and Security, and the BIA and PPSA given the Company's numerous defaults as outlined herein.

26. The Company is significantly indebted to the Bank in the amount of \$1,880,895.84 as of October 9, 2018.

27. As outlined above, the Company has demonstrated that it has been unable to refinance or divest of its assets in order to repay the Bank. Moreover, the Company's restructuring plan is unsatisfactory to the Bank such that the Bank will not support it.

28. The Company has further demonstrated that it is unable to fulfill its financial and other obligations to the Bank and its numerous other creditors to which the Company is indebted in the approximate amount of \$7,554,000. By way of specific examples:

- a. There are serious concerns about the Company's ability to complete the Dymon Projects without suffering further losses and the Bank's position will continue to deteriorate in the interim;
- b. The Company is unable to meet its source deduction obligations, along with other priority payables, which imperils the Bank's security since they would be paid in priority to the Bank;
- c. The Company is unable to generate sufficient revenue to service its significant debts, even under its proposal proceedings the Company cannot meet its liabilities as they become due and is insolvent.

29. The Company has also failed to provide the Bank with the following financial reporting as is required pursuant to the express terms of the Credit Facilities and Security:

- a. Quarterly in-house financial statements for the Company for the period ending June 30, 2018, which were due within 45 days of the that date and which have been repeatedly requested by the Bank;
- b. Internal financial statements for the period ending July and August
- c. 2018 as requested by the Bank;
- d. Updated listing of all priority payable and aged accounts payable listing as requested by the Bank;
- e. As outlined above, the Company has also failed to provide various information and documentation required by Altus.

As a result, the Bank cannot adequately assess its risk and this failure to provide this financial information and disclosure constitutes an event of default pursuant to the Credit Facilities and Security.

30. In the circumstances, the Bank has come to the conclusion that it can no longer hold-off on enforcing the Security as it has become apparent that no reasonable or realistic repayment or refinancing or restructuring scenario exists.

31. Moreover in light of the foregoing, the Bank has lost confidence in the Company.

32. The foregoing confirms that the security held by the Bank is in jeopardy and it is necessary for a Receiver to take control of the assets, undertakings and property of the Company to ensure the Company's assets are dealt with in an orderly and proper manner. In this regard, RCI, a duly qualified Receiver, has consented to act as Court-Appointed Receiver of the Company. A true copy of RCI's consent to act as Court-Appointed Receiver of the Company is attached hereto as Exhibit "M".

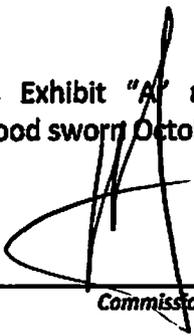
33. In light of the foregoing, I verily believe that the appointment of a receiver is just and equitable in the circumstances and necessary for the protection of the Company's property and for the protection of the interests of all stakeholders.

SWORN BEFORE me at the )  
City of Toronto, in the )  
Province of Ontario, )  
This 16 day of October, 2018 )  
\_\_\_\_\_)  
A Commissioner for Taking Affidavits, etc. )

  
\_\_\_\_\_  
WAJAHAT MAHMOOD

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

This is Exhibit "A" referred to in the Affidavit of Wajahat  
Mahmood sworn October 16<sup>th</sup> 2018



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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

Request ID: 021940307  
Transaction ID: 68839428  
Category ID: UNE

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/27  
Time Report Produced: 11:36:20  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corperation Name</b>	<b>Incorporation Date</b>
639540	LAPLANTE WELDING OF CORNWALL INC.	1985/09/30
		<b>Jurisdiction</b>
		ONTARIO
<b>Corperation Type</b>	<b>Corperation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>	<b>Date Amalgamated</b>	<b>Amalgamation Ind.</b>
800 SECOND STREET WEST	NOT APPLICABLE	NOT APPLICABLE
	<b>New Amal. Number</b>	<b>Notice Date</b>
CORNWALL	NOT APPLICABLE	NOT APPLICABLE
ONTARIO		<b>Letter Date</b>
CANADA K6J 1H6		NOT APPLICABLE
<b>Mailing Address</b>	<b>Revival Date</b>	<b>Continuation Date</b>
800 SECOND STREET WEST	NOT APPLICABLE	NOT APPLICABLE
	<b>Transferred Out Date</b>	<b>Cancel/inactive Date</b>
CORNWALL	NOT APPLICABLE	NOT APPLICABLE
ONTARIO		<b>EP Licence Eff.Date</b>
CANADA K6J 1H6		NOT APPLICABLE
	<b>EP Licence Term.Date</b>	<b>EP Licence Term.Date</b>
	NOT APPLICABLE	NOT APPLICABLE
	<b>Number of Directors</b>	<b>Date Commenced</b>
	<b>Minimum Maximum</b>	<b>in Ontario</b>
	UNKNOWN UNKNOWN	NOT APPLICABLE
<b>Activity Classification</b>	<b>Date Ceased</b>	<b>Date Ceased</b>
NOT AVAILABLE	<b>in Ontario</b>	<b>in Ontario</b>
	NOT APPLICABLE	NOT APPLICABLE

Request ID: 021940307  
Transaction ID: 68839428  
Category ID: UNE

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2018/07/27  
Time Report Produced: 11:36:20  
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## CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

639540

LAPLANTE WELDING OF CORNWALL INC.

Corporate Name History

Effective Date

LAPLANTE WELDING OF CORNWALL INC.

1985/09/30

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:  
Name (Individual / Corporation)

Address

KEVIN  
LAPLANTE

18531 COUNTY ROAD 18  
R R #1  
WILLIAMSTOWN  
ONTARIO  
CANADA K0C 2J0

Date Began

First Director

1985/09/30

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 021940307  
Transaction ID: 68839428  
Category ID: UNE

Province of Ontario  
Ministry of Government Services

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## CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

639540

LAPLANTE WELDING OF CORNWALL INC.

Administrator:  
Name (Individual / Corporation)

Address

KEVIN  
LAPLANTE

18531 COUNTY ROAD 18  
R R #1  
WILLIAMSTOWN  
ONTARIO  
CANADA K0C 2J0

Date Began

First Director

1985/09/30

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Administrator:  
Name (Individual / Corporation)

Address

DEBORAH  
LAPLANTE

18531 COUNTY ROAD 18  
R R #1  
WILLIAMSTOWN  
ONTARIO  
CANADA K0C 2J0

Date Began

First Director

2006/10/03

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

SECRETARY

Request ID: 021940307  
Transaction ID: 68839428  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

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## CORPORATION PROFILE REPORT

**Ontario Corp Number**

639540

**Corporation Name**

LAPLANTE WELDING OF CORNWALL INC.

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

JULIE  
STEWART

**Address**

17 DAVID STREET  
R R #3  
INGLESIDE  
ONTARIO  
CANADA K0C 1M0

**Date Began**

2006/10/03

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

Request ID: 021940307  
Transaction ID: 68839428  
Category ID: UNE

Province of Ontario  
Ministry of Government Services

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## CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

639540

LAPLANTE WELDING OF CORNWALL INC.

### Last Document Recorded

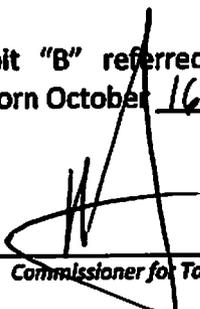
Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2017	1C	2018/04/29 (ELECTRONIC FILING)

**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 Wajahat  
Mahmood sworn October 16<sup>th</sup> 2018



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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.



Royal Bank of Canada  
Commercial Financial Services  
6683 4<sup>th</sup> Line Road, P.O. Box 40  
North Gower, Ontario K0A 2T0

**Private and Confidential**

August 25, 2014

Laplante Welding of Cornwall Inc.  
800 Second Street West  
Cornwall, Ontario  
K6J 1H6

ROYAL BANK OF CANADA (the "Bank") hereby confirms the credit facilities described below (the "Credit Facilities") subject to the terms and conditions set forth below and in the attached Terms & Conditions and Schedules (collectively the "Agreement"). This Agreement amends and restates without novation the existing agreement dated May 16, 2012 and any amendments thereto. Any amount owing by the Borrower to the Bank under such previous agreement is deemed to be a Borrowing under this Agreement. Any and all security that has been delivered to the Bank and is set forth as Security below, shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. Unless otherwise provided, all dollar amounts are in Canadian currency.

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under this Agreement or any other agreement delivered to the Bank, and whether known or unknown, and this Agreement shall not be construed as a waiver of any such breach, defaults or Events of Default.

**BORROWER**

Laplante Welding of Cornwall Inc. (the "Borrower")

**CREDIT FACILITIES**

Facility (1): \$1,950,000.00 revolving demand facility by way of RBP based loans ("RBP Loans")

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBP + 0.675%

**Availability**

The Borrower may borrow, repay and reborrow up to the amount of this facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

Borrowings outstanding under this facility must not exceed at any time the aggregate of the following, less Potential Prior-Ranking Claims (the "Borrowing Limit"):

- a) 75% of Good Accounts Receivable;
- b) to a maximum of \$300,000.00, 50% of the lesser of cost or net realizable value of Unencumbered Inventory.

\* Registered Trademark of Royal Bank of Canada

**Repayment**

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Borrowings under this facility are repayable on demand.

**General Account**

The Borrower shall establish a current account with the Bank ( the "General Account") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank, to ascertain the balance of the General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, under this facility;
- b) if such position is a credit balance, where the facility is indicated to be Bank revolved, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, under this facility.

**Facility (2):** \$48,360.00 revolving facility available by way of a series of term loans, by way of RBP based loans ("RBP Loans") Interest rate (per annum) RBP + 0.90%

**Availability**

The Borrower may borrow, repay and reborrow up to the amount of this facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of this facility at any time from time to time without notice.

The amount of any Borrowing must not exceed 75% of the purchase price of the machinery, equipment and/or vehicles being financed with such Borrowing.

**Repayment**

Each Borrowing under this facility shall be repayable by consecutive monthly principal payments plus interest based on a maximum amortization of 60 months and a maximum term of 12 months. The specific repayment terms for each new Borrowing will be agreed to between the Borrower and the Bank at the time of the Borrowing by way of a Borrowing Request substantially in the form of Schedule "E" provided to the Bank.

Existing Borrowings as at the date of this Agreement are shown and repayable as described in the attached Schedule "F".

**OTHER FACILITIES**

The Credit Facilities are in addition to the following facilities (the "Other Facilities"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

- a) VISA Business to a maximum amount of \$70,000.00;
- b) All Leases outstanding at any time and from time to time.

**FEES:****One Time Fees:**

Payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Annual Review Fee: \$750.00

**Monthly Fees:**

Payable in arrears on the same day of each month.

Monthly Management Fee \$150.00

**Renewal Fee:**

if the Bank renews or extends any term facility or term loan beyond its Maturity Date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

**SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases, (collectively, the "Security"), shall include:

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$250,000.00, signed by Kevin Laplante and Deborah Laplante;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,500,000.00, signed by Laplante Steel Structures Inc., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of Laplante Steel Structures Inc.;
- d) Postponement and Assignment of Claim on the Bank's form 918 signed by Laplante Steel Structures Inc.

**FINANCIAL COVENANTS**

In the event that the Borrower changes accounting standards, accounting principles and/or the application of accounting principles during the term of this Agreement, all financial covenants shall be calculated using the accounting standards and principles applicable at the time this Agreement was entered into.

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower will:

- a) maintain, to be measured as at the end of each fiscal year:
  - i. a Debt Service Coverage ratio of not less than 1.25 : 1;
  - ii. a ratio of Total Liabilities to Tangible Net Worth of not greater than 2.75:1.
- b) not, without the prior written consent of the Bank:
  - i. make any Corporate Distribution or Capital Expenditures in excess of \$25,000.00 during any fiscal year.

**REPORTING REQUIREMENTS**

The Borrower will provide the following to the Bank:

- a) quarterly Borrowing Limit Certificate including reports described therein, substantially in the form of Schedule "G" signed on behalf of the Borrower by any one of the Chief Executive Officer, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 25 days of each quarter end;
- b) quarterly in-house financial statements for the Borrower, within 25 days of each fiscal quarter end;
- c) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- d) a annual notice to reader financial statements for Laplante Steel Structures Inc., within 120 days of each fiscal year end;
- e) a annual unaudited accountant prepared financial statements for 2114520 Ontario Inc., within 120 days of each fiscal year end;
- f) annual personal statement of affairs for all Guarantors, who are individuals, within 120 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2015;
- g) such other financial and operating statements and reports as and when the Bank may reasonably require.

**CONDITIONS PRECEDENT**

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally:

- e) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank;
- f) no Borrowing under Facility (2) will be made available unless the Bank has received a Borrowing Request from the Borrower substantially in the form of Schedule "E".
- g) no Lease will be made available to the Borrower unless it meets the leasing criteria established by the Bank and the Bank has received such documentation in respect thereof as may be required by the Bank.

**BUSINESS LOAN INSURANCE PLAN**

The Borrower acknowledges that the Bank has offered it insurance on the Borrowings under the Business Loan Insurance Plan Policy 51000 ("Policy") issued by the Sun Life Assurance Company of Canada to the Bank and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased amount for the Borrowings that may be eligible.

Should the Borrower decide to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3480 Eng or 53460 Fr). However, should the Borrower decide not to apply, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the offer.

If there are any discrepancies between the Insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums, if applicable, are taken with your scheduled loan payments. In the case of blended payments of principal and interest, as premiums fluctuate based on various factors such as, by way of example, the age of the insured and changes to the insured loan balance, a part of the premium payment may be deducted and taken from the scheduled blended loan payment with the result that the amortization period may increase in the case of any loan to which this coverage applies. Refer to the Business Loan Insurance Plan application for further explanation and disclosure.

**GOVERNING LAW JURISDICTION**

Province of Ontario.

**ACCEPTANCE**

December 1, 2014 

This Agreement is open for acceptance until ~~October 31, 2014~~, after which date it will be null and void, unless extended in writing by the Bank.

**ROYAL BANK OF CANADA**

  
\_\_\_\_\_  
Mike Charbonneau  
Account Manager

lgm

We acknowledge and accept the terms and conditions of this Agreement on this 28<sup>th</sup> day of November, 2014.

**LAPLANTE WELDING OF CORNWALL INC.**

Per:   
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per:   
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*I/We have the authority to bind the Borrower.*

**Attachments:**

Terms and Conditions

Schedules:

- Definitions
- Calculation and Payment of Interest and Fees
- Revolving Term by way of a series of term loans - Borrowing Request
- Revolving Term by way of a series of term loans - Repayment Terms
- Borrowing Limit Certificate
- RBC Covarity Dashboard Terms and Conditions

Laplante Welding of Cornwall Inc.

- 6 -

August 25, 2014

**TERMS AND CONDITIONS**

The Bank is requested by the Borrower to make the Credit Facilities available to the Borrower in the manner and at the rates and times specified in this Agreement. Terms defined elsewhere in this Agreement and not otherwise defined in the Terms and Conditions below or the Schedules attached hereto have the meaning given to such terms as so defined. In consideration of the Bank making the Credit Facilities available, the Borrower agrees, and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree with the Bank as follows:

**REPAYMENT**

Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in this Agreement and shall be paid in the currency of the Borrowing. Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment. In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand. Where any Borrowings are repayable by scheduled blended payments, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be. Borrowings repayable by way of scheduled payments of principal and interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement. The Borrower shall ensure that the maturities of instruments or contracts selected by the Borrower when making Borrowings will be such so as to enable the Borrower to meet its repayment obligations. For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the Maturity Date of the applicable Borrowings shall automatically be amended accordingly.

In the case of any reducing term loan and/or reducing term facility ("Reducing Term Loan/Facility"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("Renewal Letter") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the Maturity Date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

**PREPAYMENT**

Where Borrowings are by way of RBP Loans, the Borrower may prepay such Borrowings in whole or in part without fee or premium.

The prepayment of any Borrowings under a term facility and/or any term loan will be made in the reverse order of maturity.

**EVIDENCE OF INDEBTEDNESS**

The Bank shall maintain accounts and records (the "Accounts") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

Laplante Welding of Cornwall Inc.- 7 -August 25, 2014**GENERAL COVENANTS**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure and it will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under Reporting Requirements;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person;

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- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any entity regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and;
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

### **FEES, COSTS AND EXPENSES**

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

### **GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower or any Guarantor and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

### **AMENDMENTS AND WAIVERS**

No amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Any amendments requested by the Borrower will require review and agreement by the Bank and its counsel. Costs related to this review will be for the Borrower's account.

### **SUCCESSORS AND ASSIGNS**

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank. The Bank may assign or transfer all or any part of its rights and obligations under this Agreement to any Person. The Bank may disclose to potential or actual assignees or transferees confidential information regarding the Borrower and any Guarantor if applicable, (including, any such information provided by the Borrower, and any Guarantor if applicable, to the Bank) and shall not be liable for any such disclosure.

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**GAAP**

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

**SEVERABILITY**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

**GOVERNING LAW**

This Agreement shall be construed in accordance with and governed by the laws of the Province identified in the Governing Law Jurisdiction section of this Agreement and the laws of Canada applicable therein. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower, or a Guarantor if applicable, in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**NON-MERGER**

The provisions of this Agreement shall not merge with any Security provided to the Bank, but shall continue in full force for the benefit of the parties hereto.

Laplante Welding of Cornwall Inc.- 10 -August 25, 2014**JOINT AND SEVERAL**

Where more than one Person is liable as Borrower or Guarantor if applicable for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (In Quebec, solidarity) with each other such Person.

**COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

**ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an originally signed document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

**ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**REPRESENTATIONS AND WARRANTIES**

The Borrower represents and warrants to the Bank that:

- a) it is duly incorporated, validly existing and duly registered or qualified to carry on business in each jurisdiction in which its business or assets are located;
- b) the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary actions and do not violate its constating documents or any Applicable Laws or agreements to which it is subject or by which it is bound;
- c) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, an Event of Default;
- d) there is no claim, action, prosecution or other proceeding of any kind pending or threatened against it or any of its assets or properties before any court or administrative agency which relates to any non-compliance with any Environmental and Health and Safety Laws which, if adversely determined, might have a material adverse effect upon its financial condition or operations or its ability to perform its obligations under this Agreement or any Security, and there are no circumstances of which it is aware which might give rise to any such proceeding which it has not fully disclosed to the Bank; and
- e) it has good and marketable title to all of its properties and assets, free and clear of any encumbrances, other than as may be provided for herein.

Representations and warranties are deemed to be repeated as at the time of each Borrowing and/or the entering into each Lease hereunder.

Laplante Welding of Cornwall Inc.

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**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

**JUDGEMENT CURRENCY**

If for the purpose of obtaining judgement in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "Judgement Currency") any amount due hereunder in any currency other than the Judgement Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgement is given. For this purpose "rate of exchange" means the rate at which the Bank would, on the relevant date, be prepared to sell a similar amount of such currency in the Toronto foreign exchange market, against the Judgement Currency, in accordance with normal banking procedures.

In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgement is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such date is the amount in the Judgement Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency together with interest at RBP and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the Borrower under this section will be due as a separate debt and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;

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- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower, or any Guarantor if applicable, under this Agreement or in any other document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.

**Schedule "A"****DEFINITIONS**

For the purpose of this Agreement, the following terms and phrases shall have the following meanings:

**"Applicable Laws"** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

**"Borrowing"** means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

**"Business Day"** means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday or a day on which banking institutions are closed throughout Canada;

**"Canadian Accounts Receivable"** means trade accounts receivable of the Borrower owing by Persons whose chief operating activities are located in Canada;

**"Capital Expenditures"** means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

**"Contaminant"** includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**"Corporate Distributions"** means any payments to any shareholder, director or officer of the Borrower, or to any associate or holder of subordinated debt of the Borrower, or to any shareholder, director or officer of any associate or holder of subordinated debt of the Borrower, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business.

**"Debt Service Coverage"** means, for any fiscal period, the ratio of EBITDA less Corporate Distributions to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

**"EBITDA"** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and Income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

**"Environmental Activity"** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**"Environmental and Health and Safety Laws"** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**"Equity"** means the total of share capital, (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

**"Equivalent Amount"** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**"Funded Debt"** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**"Good Accounts Receivable"** means trade accounts receivable of the Borrower owing by Persons whose chief operating activities are located in Canada excluding (i) the entire amount of accounts, any portion of which is outstanding more than 90 days after billing date, provided that the under 90 day portion may be included where the over 90 day portion is less than 10% of the amount of accounts, or where the Bank has designated such portion as nevertheless good, or where the over 90 day portions are change orders marked as notice of change (NOC), (ii) all amounts due from any affiliate, (iii) bad or doubtful accounts, (iv) accounts subject to any security interest or other encumbrance ranking or capable of ranking in priority to the Bank's security, (v) the amount of all holdbacks, contra accounts or rights of set-off on the part of any account debtor, (vi) those trade accounts receivable included elsewhere in the Borrowing Limit calculation, or (vii) any accounts which the Bank has previously advised to be ineligible;

**"Guarantor"** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**"Interest Expense"** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances;

**"Lease"** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**"Maturity Date"** means the date on which a facility is due and payable in full;

**"Permitted Encumbrances"** means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

**"Person"** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

**"Postponed Debt"** means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

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**"Potential Prior-Ranking Claims"** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

**"RBP"** and **"Royal Bank Prime"** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

**"Release"** includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

**"Tangible Net Worth"** means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

**"Total Liabilities"** means all liabilities, exclusive of deferred tax liabilities and Postponed Debt;

**"Unencumbered Inventory"** means inventory of the Borrower which is not subject to any security interest or other encumbrance or any other right or claim which ranks or is capable of ranking in priority to the Bank's security including, without limitation, rights of unpaid suppliers to repossess inventory within 30 days after delivery and rights of unpaid farmers, fishermen and aquaculturalists in respect of any unpaid amounts for products sold and delivered within the previous 15 days, under the *Bankruptcy and Insolvency Act*, Canada.

**Schedule "B"****CALCULATION AND PAYMENT OF INTEREST AND FEES****LIMIT ON INTEREST**

The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law.

**OVERDUE PAYMENTS**

Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument or contract governing same, bear interest until paid at the rate of RBP plus 5% per annum. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity date, demand and judgement.

**EQUIVALENT YEARLY RATES**

The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

**TIME AND PLACE OF PAYMENT**

Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity date, demand and judgement.

**RBP LOANS**

The Borrower shall pay interest on each RBP Loan, monthly in arrears, on the 26th day of each month or such other day as may be agreed to between the Borrower and the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days and shall be paid in the currency of the applicable Borrowing.

**Schedule "E"**

**REVOLVING FACILITY AVAILABLE BY WAY OF A SERIES OF TERM LOANS**

**BORROWING REQUEST**

The Borrower hereby requests the following be established under Facility (2):

Date of Borrowing	
Purpose of Borrowing	
Amount of Borrowing:	\$
Selected Amortization (In months): Maximum 60 months	
Payment Amount:	\$
Payment Frequency:	Monthly
Borrowing Option:	
Interest Rate:	
Payment Type:	Principal plus Interest
First Payment Due Date:	30 days from drawdown
Maturity Date (date Borrowing repayable in full):	The last day of a 12 month term from drawdown

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**LAPLANTE WELDING OF CORNWALL INC.**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

I/We have the authority to bind the Borrower

SRF # 698059987

Schedule "F"

REVOLVING FACILITY AVAILABLE BY WAY OF A SERIES OF TERM LOANS

REPAYMENT TERMS

Details of Borrowing(s) outstanding under Facility (2) and applicable repayment terms:

Date of original Borrowing	Borrowing option	Original outstanding amount of Borrowing	Current outstanding amount of Borrowing	Payment amount	Payment type (blended or principal plus interest)	Regular payment Date	Interest rate (per annum)	Amount eligible for prepayment of FRT Loans	Final Maturity Date
July 8, 2011	RBP Loans	\$34,000.00	\$ 7,773.29	\$706.67	P & I	6 <sup>th</sup> of each month	RBP + 0.90%	N/A	July 6, 2015
March 30, 2012	RBP Loans	\$20,520.00	\$ 4,560.00	\$570.00	P & I	30 <sup>th</sup> of each month	RBP + 0.90%	N/A	March 30, 2015
March 19, 2012	RBP Loans	\$24,400.00	\$ 4,825.00	\$675.00	P & I	19 <sup>th</sup> of each month	RBP + 0.90%	N/A	March 19, 2015

Schedule "G"

BORROWING LIMIT CERTIFICATE

I, \_\_\_\_\_, representing the Borrower hereby certify as of insert last day of month/quarter as applicable:

1. I am familiar with and have examined the provisions of the Agreement dated August 25, 2014 and any amendments thereto, between Laplante Welding of Cornwall Inc., as Borrower, and Royal Bank of Canada, as the Bank and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower. Terms defined in the Agreement have the same meanings where used in this certificate.

2. The Borrowing Limit is \$ \_\_\_\_\_, calculated as follows:

Total accounts receivable owing by Persons located in Canada		\$ _____
Total Canadian Accounts Receivable		
Less:		
a) Accounts, any portion of which exceeds 90 days	\$ _____	
b) Accounts due from affiliates	\$ _____	
c) "Under 90 days" accounts where collection is suspect	\$ _____	
d) Accounts subject to prior encumbrances	\$ _____	
e) Holdbacks, contra-accounts or rights of set-off	\$ _____	
f) Accounts included elsewhere in the Borrowing Limit calculation	\$ _____	
g) Other ineligible accounts	\$ _____	
Plus:		
h) Under 90 day portion of accounts included in a) above, where the over 90 day portion is less than 10% of the amount of accounts, or which the Bank has designated as nevertheless good	\$ _____	
Good Canadian Accounts Receivable		A \$ _____
Marginable Good Canadian Accounts Receivable at 75% of A		B \$ _____
Total inventory (valued at lesser of cost or net realizable value)		\$ _____
Less:		
a) Inventory subject to prior encumbrances	\$ _____	
b) Inventory subject to 30 day supplier payables	\$ _____	
c) Other non qualifying inventory	\$ _____	
Unencumbered inventory		C \$ _____
Marginable Unencumbered Inventory at 50% of C (Max \$300,000.00)		D \$ _____
Less: Potential Prior-Ranking Claims while not limited to these include:		
Sales tax, Excise & GST	\$ _____	
Employee source deductions such as E.I., CPP, Income Tax	\$ _____	
Workers Compensation Board	\$ _____	
Wages, Commissions, Vacation Pay	\$ _____	
Unpaid Pension Plan Contributions	\$ _____	
Overdue Rent, Property & Business Tax and potential claims from third parties such as subcontractors	\$ _____	
Other	\$ _____	
Total Potential Prior-Ranking Claims		E \$ _____
Borrowing Limit (B+D-E)		\$ _____
Less: Facility #		\$ _____
Borrowings		\$ _____
Margin Surplus (Deficit)		\$ _____

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- 3. Annexed hereto are the following reports in respect of the Borrower:
    - a) aged list of accounts receivable,
    - b) aged list of accounts payable,
    - c) status of inventory, and
    - d) listing of Potential Prior-Ranking Claims.
  
  - 4. The reports and information provided herewith are accurate and complete in all respects and all amounts certified as Potential Prior-Ranking Claims are current amounts owing and not in arrears.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**LAPLANTE WELDING OF CORNWALL INC.**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Schedule "J"

**RBC COVARIETY DASHBOARD TERMS AND CONDITIONS**

If the Borrower elects to fulfill the reporting requirements relating to the submission of financial information set out in this Agreement by accessing a secure web based portal ("RBC Covarity Dashboard") via the Internet and using RBC Covarity Dashboard to electronically upload the Borrower's financial information and to complete online and electronically submit certificates, reports and/or forms (the "Service"), then the following terms and conditions (the "RBC Covarity Dashboard Terms and Conditions") apply and are deemed to be included in, and form part of, the Agreement.

**1. Definitions.** For the purpose of the RBC Covarity Dashboard Terms and Conditions:

**"Disabling Code"** means any clock, timer, counter, computer virus, worm, software lock, drop dead device, Trojan horse routine, trap door, time bomb, or any other unauthorized codes, designs, routines or instructions that may be used to access, modify, replicate, distort, delete, damage or disable any Electronic Channel, including any related hardware or software.

**"Designated User"** an individual permitted to act on behalf of and bind the Borrower in all respects, and specifically in the submission of Electronically Uploaded Financial Information and/or Electronically Submitted Certificates.

**"Electronic Channel"** means any telecommunication or electronic transmission method which may be used in connection with the Service, including computer, Internet, telephone, e-mail or facsimile.

**"Electronic Communication"** means any information, disclosure, request or other communication or agreement sent, received or accepted using an Electronic Channel.

**"Electronically Submitted Certificates"** means certificates, reports and/or forms completed online and electronically submitted by any Designated User accessing the Service.

**"Electronically Uploaded Financial Information"** means financial data, reports and/or information of the Borrower electronically uploaded by any Designated User accessing the Service.

**"Internet"** means a decentralized global communications medium and the world-wide network of computer networks, accessible to the public, that are connected to each other using specific protocols, which provides for file transfer, electronic mail, remote log in, news, database access, and other services.

**"Password"** means a combination of numbers and/or letters selected by a Designated User that is used to identify the Designated User. The Password is used in conjunction with a User ID to access the Service.

**"Security Breach"** means any breach in the security of the Service, or any actual or threatened use of the Service, a Security Device, or Electronic Channel in a manner contrary to the Agreement, including, without limitation, the introduction of Disabling Code or a Virus to the Service.

**"Security Device"** means a combination of a User ID and Password.

**"Software"** means any computer program or programming (in any code format, including source code), as modified from time to time, and related documentation.

**"User ID"** means the combination of numbers and/or letters selected by the Borrower used to identify a particular Designated User. The User ID is used in conjunction with a Password to access the Service.

**"Virus"** means an element which is designed to corrupt data or enable access to or adversely impact upon the performance of computer systems, including any virus, worm, logic bomb and Trojan horse.

Terms defined in the Agreement have the same meanings where used in the RBC Covarity Dashboard Terms and Conditions.

**2. Access to the Service.** The Borrower will appoint one or more Designated User(s) to access the Service on behalf of the Borrower. The Borrower acknowledges and agrees that each Designated User appointed by the Borrower may electronically upload the Borrower's financial information and may view all previously uploaded financial information and all calculations in the RBC Covarity Dashboard.

At the time of registration for the Service, the Borrower will advise the Bank of the name and e-mail address of each Designated User. The Borrower will immediately advise the Bank if a Designated User changes or is no longer valid.

The Bank will provide the Borrower with a User ID and temporary password for each Designated User. Each Designated User will receive the User ID and temporary password delivered to their e-mail address. Each Designated User will change the temporary password to a unique Password which may not be easily guessed or obtained by others. If it is suspected or known that the Password has been compromised in any way, the Password must be changed immediately.

On first access to the Service, each Designated User will be required to read and agree to terms of use which will thereafter be accessible from a link located on each web page of the Service.

**3. Security Devices.** The Borrower recognizes that possession of a Security Device by any person may result in that person having access to the Service. The Borrower agrees that the use of a Security Device in connection with the Service, including any information sent, received or accepted using the Service, will be deemed to be conclusive proof that such information is accurate and complete, and the submission of which is authorized by, and enforceable against, the Borrower.

The Borrower is responsible for maintaining the security and confidentiality of Security Devices which may be used in connection with the Service. The Borrower is responsible for ensuring that a Security Device will only be provided to and used by a Designated User. The Borrower agrees to be bound by any actions or omissions resulting from the use of any Security Device in connection with the Service.

**4. Security.** Each party shall at all times have in place appropriate policies and procedures to protect the security and confidentiality of the Service, Electronic Channels and Electronic Communication and to prevent any unauthorized access to and use of the Service and Electronic Channels. The Borrower agrees to comply with any additional procedures, standards or other security requirements that the Bank may require in order to access the Service.

The Borrower will not (i) access or use the Service for an illegal, fraudulent, malicious or defamatory purpose, or (ii) take steps or actions that could or do undermine the security, integrity, effectiveness, goodwill or connectivity of the Service (including illegal, fraudulent, malicious, defamatory or other activities that threaten to harm or cause harm to any other person).

The Borrower agrees not to transmit via the Service any viruses, worms, defects, Trojan horses or any items of a destructive nature. The Borrower shall maintain the security of their computer by using anti-virus scanning, a firewall and installing the latest security patches to provide assurance that no Virus is introduced into the systems or Software while accessing the Service.

**5. Unsecure Electronic Channels.** The Borrower acknowledges and agrees that if it uses, or if it authorizes and directs the Bank to use, any unencrypted Electronic Channel, including unencrypted e-mail or facsimile, any Electronic Communication sent, received and/or accepted using such Electronic Channel is not secure, reliable, private or confidential. Any such Electronic Communication could be subject to interception, loss or alteration, and may not be received by the Intended recipient in a timely manner or at all. The Borrower assumes full responsibility for the risks associated with such Electronic Communication.

**6. Notice of Security Breach.** The Borrower shall notify the Bank by notifying the RBC Account Manager in writing immediately of any Security Breach including: (i) any application vulnerability or if a Virus is contained in or affects transmission of information to the Service; or (ii) if the Borrower knows or reasonably ought to know that an unauthorized person may have access to the Service, Security Device or Electronic Channel.

If a Security Breach occurs the Borrower shall: (i) assist the Bank in the management of any consequences arising from it; (ii) take any reasonable steps necessary for it to take to mitigate any harm resulting from it; and (iii) take appropriate steps to prevent its recurrence.

**7. Binding Effect.** Any Electronic Communication that the Bank receives from or in the name of, or purporting to be from or in the name of, the Borrower or any other person on the Borrower's behalf in connection with the Service, will be considered to be duly authorized by, and enforceable against, the Borrower. The Bank will be authorized to rely and act on any such Electronic Communication, even if the Electronic Communication was not actually from the Borrower or such other person or differs in any way from any previous Electronic Communication sent to the Bank. Any Electronically Uploaded Financial Information will be considered to be financial information submitted to the Bank by an Individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Uploaded Financial Information accordingly. Any Electronically Submitted Certificates will be considered to be certificates, reports and/or forms completed and submitted to the Bank by an Individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Submitted Certificates accordingly.

**8. Representations and Warranties.** The Borrower represents and warrants to the Bank that each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted: (i) all financial statements, certificates, forms, reports and all information contained therein will be accurate and complete in all respects; (ii) all amounts certified as Potential Prior-Ranking Claims will be current amounts owing and not in arrears; (iii) all representations and warranties contained in the Agreement will be true and correct; and (iv) no event will have occurred which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or breach of any covenant or other term or condition of the Agreement. The Borrower will be deemed to repeat these representations and warranties each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted.

**9. Evidence.** Electronic records and other information obtained by the Bank in an Electronic Communication will be admissible in any legal, administrative or other proceedings as conclusive evidence of the contents of those communications in the same manner as an original paper document, and the Borrower waives any right to object to the introduction of any such record or other information into evidence on that basis.

**10. Limitation of Liability.** The Bank is not responsible or liable for any damages arising from: (i) inaccurate, incomplete, false, misleading, or fraudulent information provided to the Bank; (ii) losses incurred as a result of an actual or potential Security Breach; or (iii) losses incurred as a result of application vulnerability or Virus that is contained in or affects any Software or systems used by or on behalf of the Borrower in connection with the Service.

Although every effort is made to provide secure transmission of information, timely communication and confidentiality cannot be guaranteed. In no event shall the Bank be liable for any loss or harm resulting from the use of the Service, or from a breach of confidentiality in respect of use of the Service.

**11. Termination.** The ability of the Borrower to fulfill the reporting requirements relating to the submission of financial information set out in the Agreement using RBC Covarity Dashboard shall terminate upon revocation of access to the Service. In addition, the Bank may suspend or terminate access to or discontinue the Service immediately for any reason at any time without prior notice. The Bank will not be responsible for any loss or inconvenience that may result from such suspension or termination. The Borrower, upon giving notice to the Bank by notifying the RBC Account Manager in writing, may terminate use of the Service at any time.

**12. Amendment.** The Bank may amend these RBC Covarity Dashboard Terms and Conditions upon 30 days notice (which may be given electronically by way of e-mail or in writing) to the Borrower. The Borrower agrees that the continued use of the Service after the effective date of a change will constitute conclusive evidence of consent to all such amendments and the Borrower shall be bound by the amendments.



April 28, 2016

Royal Bank of Canada  
Commercial Financial Services  
936 Notre-Dame Street, PO Box 570  
Embrun, Ontario K0A 1W0

**Private and Confidential**

Laplante Welding of Cornwall Inc.  
800 Second Street West  
Cornwall, Ontario  
K6J 1H6

We refer to the agreement dated August 25, 2014 and any amendments thereto, between Laplante Welding of Cornwall Inc., as the Borrower, and Royal Bank of Canada, as the Bank, (the "Agreement").

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under any Bank document, and whether known or unknown, and this amending agreement shall not be construed as a waiver of any such breach, default or Events of Default.

All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

The Agreement is amended as follows:

1. Under the **Credit Facilities** section, Facility (2) is deleted in its entirety.
2. Under the **Credit Facilities** section, Facility (3) is added as follows:

**Facility #3):** \$400,000.00 non-revolving term facility by way of RBP based loans ("RBP Loans")  
Interest rate (per annum) RBP + 1.50%.

**Availability**

The Borrower may borrow up to the amount of this term facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of this facility at any time from time to time without notice.

**Repayment**

Payment Amount:	\$11,845.00	Payment Frequency:	Monthly
Payment Type:	Blended (payment amount subject to annual adjustments to ensure amortization)	First payment date:	30 days from drawdown
Repayable in full on:	The last day of a 12 month term from drawdown	Original Amortization (months):	36

<sup>®</sup> Registered Trademark of Royal Bank of Canada

3. Under the Financial Covenants section, paragraph b) is deleted in its entirety.

4. The Reporting Requirements section is amended and restated as follows:

**REPORTING REQUIREMENTS**

The Borrower will provide the following to the Bank:

- a) quarterly Borrowing Limit Certificate including reports described therein, substantially in the form of Schedule "G" signed on behalf of the Borrower by any one of the Chief Executive Officer, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 45 days of each quarter end;
- b) quarterly in-house financial statements for the Borrower, within 45 days of each fiscal quarter end;
- c) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- d) a annual notice to reader financial statements for Laplante Steel Structures Inc., within 120 days of each fiscal year end;
- e) such other financial and operating statements and reports as and when the Bank may reasonably require.

5. On Schedule "A"- Definitions the definition for "Capital Expenditures" is deleted in its entirety.

6. Schedule "A"- Definitions is amended by the addition of the following definitions which are inserted in alphabetical order:

"Business Loan Insurance Plan" means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

"Policy" means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank.

7. Schedule "E" is deleted.

**BUSINESS LOAN INSURANCE PLAN**

The Borrower acknowledges that the Bank has offered it insurance on the Borrowings under the Business Loan Insurance Plan Policy 51000 ("Policy") issued by the Sun Life Assurance Company of Canada to the Bank and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased amount for the Borrowings that may be eligible.

Should the Borrower decide to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 Eng or 53460 Fr). However, should the Borrower decide not to apply, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the offer.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums, if applicable, are taken with your scheduled loan payments. In the case of blended payments of principal and interest, as premiums fluctuate based on various factors such as, by way of example, the age of the insured and changes to the insured loan balance, a part of the premium payment may be deducted and taken from the scheduled blended loan payment with the result that the amortization period may increase in the case of any loan to which this coverage applies. Refer to the Business Loan Insurance Plan application for further explanation and disclosure.

**CONDITIONS PRECEDENT**

The effectiveness of this amending agreement is conditional upon receipt of a duly executed copy of this amending agreement.

Additionally,  
Confirmation of GE loans being paid as per funds from new term loan.

**ANNUAL REVIEW FEE**

A non-refundable annual review fee of \$750.00 is payable by the Borrower upon acceptance of this amending agreement or as agreed upon between the Borrower and the Bank.

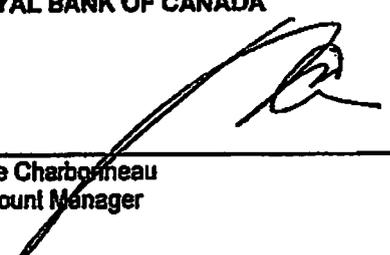
**COUNTERPART EXECUTION**

This amending agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

All other terms and conditions outlined in the Agreement remain unchanged and in full force and effect.

This amending agreement is open for acceptance until <sup>June 30</sup> May 30, 2016 after which date it will be null and void, unless extended in writing by the Bank.

ROYAL BANK OF CANADA

  
\_\_\_\_\_  
Mike Charbonneau  
Account Manager

Ac

Agreed to and accepted this 7 day of June, 2016

LAPLANTE WELDING OF CORNWALL INC.

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

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

We have the authority to bind the Borrower.



PLEASE FORWARD TO APPROPRIATE BUSINESS SERVICE CENTRE (BSC)

E-FORM 3184 (04/2017)

**BUSINESS CREDIT CARDS - NEW ACCOUNTS/ADDITIONAL CREDIT\***NOTE: Only typed submission accepted. Handwritten forms will be returned.  
Fields labeled with asterisks (\*\*) are mandatory

CAMPAIGN CODE/ASC

TO: Montreal BSC - Existing Borrower send via eCourier	
RE: BUSINESS SRF** 03 698-059-987	BUSINESS APPLICANT NAME (LEGAL REGISTERED BUSINESS NAME)** LAPLANTE WELDING OF CORNWALL INC.
BUSINESS ADDRESS** P.O. BOX TO BE USED ONLY IN RURAL AREAS WHERE NO STREET ADDRESS IS AVAILABLE CORNWALL 800 SECOND ST W ON K6J1H6	BUSINESS NAME TO APPEAR ON CARDS Max. 24 Characters** LAPLANTE WELDING BUSINESS PHONE NUMBER (613) 938-0575 ext: 0000
HOME BRANCH TRANSIT NUMBER (Obtain from Business SRF profile)** 01082	

**AUTHORIZED ALTERNATE CONTACT PERSON FOR BUSINESS (optional)**

Name (first name, surname)	Title:	Phone Number & Ext:
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**RBC CONTACT OFFICER INFORMATION\*\* (ALL FIELDS MUST BE COMPLETED)**

We certify that the total credit extended, including these limits, is approved under Authorized Credit Facility dated (month/day/yy): June 8, 2017	
BANK OFFICER NAME ANNE BENNETT	RESPONSIBILITY TRANSIT 07652
BANK OFFICER PHONE NUMBER (613) 525-3386	BANK OFFICER FAX NUMBER (613) 525-5307

Please add the following people to the Business Credit Card Accounts issued to the above company

NOTE: When combining points from a Personal and Business Avion:

- All cards will be required to have the same statement date as the card into which points will be combined. This alignment of statement dates will cause a one month delay in the display and the availability for redemption of combined points on the statement of the card into which the points will be combined.
- This feature is only available to Business Owners (only 1 owner at a time is eligible to receive the rolled-up points).
- Terms and conditions are outlined on our website at [www.rbcwards.com](http://www.rbcwards.com) or in the RBC Rewards catalogue. Please read them carefully.

STATEMENT DATE** This is the date the statement (s) will be printed. All cards must have the same statement date as the card where points roll up to (between the 3rd and the 27th day of the month).	03
CARD LANGUAGE PREFERENCE** ENGLISH	

**CLIENT HAS EXISTING AVION CARD THAT POINTS WILL ROLL-UP INTO**

OPTION: Existing Business Client has an existing Business Avion account that points will roll-up into	CARDHOLDER NAME (AS IT APPEARS ON EXISTING CARD)** KEVIN LAPLANTE	EXISTING CARD NUMBER (16 DIGITS)** 000000000000882
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**OPEN NEW PRIMARY BUSINESS AVION CARD THAT POINTS WILL ROLL-UP INTO**

CARDHOLDER NAME** (first name, surname) Maximum 24 characters	CARD TYPE**	CREDIT LIMIT**	FEE CODE (Determines annual fee & points)
KEVIN LAPLANTE			

**OPEN ADDITIONAL NEW BUSINESS ACCOUNTS (SUPPLEMENTARY)**

(Note: Business cards can also be opened here but there will be no points roll up)

CARDHOLDER NAME** (first name, surname) Maximum 24 characters	CARD TYPE**	CREDIT LIMIT**	FEE CODE (Determines annual fee & points)
ANDREW LAPLANTE	Business Avion	\$5,000	JN2R.
MICHEL BLAIS	Business Avion	\$5,000	JN2R

			4 pages

The following two options to be used in conjunction with the creation of a new account. Please use CART for standalone requests.

**Decrease Credit Limit:**

Cardholder Name (first name*surname)	Existing Credit Card Number	New Credit Limit (ensure minimum product limits are adhered to)

**Close existing credit Card:**

Cardholder Name (first name*surname)	Existing Credit Card Number

**Autopay:**

Bank Name  
Bank Code (Institution Number)  
Bank Transit  
Bank Account Number:

Add \_\_\_\_\_  
 \_\_\_\_\_  
 01052  
 \_\_\_\_\_

**Minimum Payment**

On the due date a deduction and application of the minimum payment minus any payments made as indicated on the last cycled statement

**Previous Balance**

On the due date a deduction and application of a payment based on the last cycle statement 'statement balance' minus any payment made (or credits received) before the actual due date.

Apply to all cards or SRF profiles (no list required)

List additional accounts to be set up (including new open)

CARDHOLDER NAME (first name, surname) Maximum 24 characters	Existing Credit Card Number

**Supplementary Fee**

First-Visa Business Platinum Avion card on the account owned by a Primary Business Cardholder with personal and business Avion products, may choose to apply the supplementary fee discount on their personal Avion card (IAV and GCP) or on their Business Avion credit card(CPX)

CARDHOLDER NAME (first name, surname) Maximum 24 characters	Existing Business Avion (CPX) Credit Card Number	Existing Personal Avion (IAV and GCP) Credit Card Number	Supplementary Fee to be applied to

**CARD DELIVERY ADDRESS\*\* (Only select one destination by placing an X beside preferred option)**

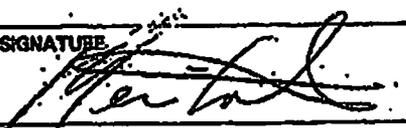
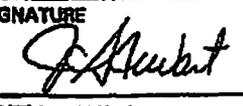
Deliver card(s) to Business Address      P.O. BOX TO BE USED ONLY IN RURAL AREAS WHERE NO STREET ADDRESS IS AVAILABLE

Card will be delivered to business address on file.

Deliver card(s) to branch

BRANCH TRANSIT #	BRANCH TRANSIT NAME ATTENTION
STREET ADDRESS	
CITY	PROVINCE
COUNTRY (if foreign)	POSTAL CODE

**I AM AN AUTHORIZED SIGNING OFFICER OF THE BUSINESS WITH THE AUTHORITY TO BIND THE BUSINESS APPLICANT**

NAME KEVIN LAPLANTE	NAME JULIE STEWART
TITLE	TITLE CONTROLLER
SIGNATURE 	SIGNATURE 
DATE (mm/dd/yy)	DATE (mm/dd/yy) 02/26/18

**COMMENTS: (OPTIONAL)**

This section is NOT to be used for changes on existing cards. For maintenance items such as name changes, card cancellations, etc. use CART - Client Action and Request Tool

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RBC and Royal Bank are registered trademarks of Royal Bank of Canada.  
All other trademarks are the property of their respective owners.



Royal Bank

RBC Royal Bank® Visa® Business Card Agreement

For good and valuable consideration, we accept your offer for the Account and each Card on the following terms and conditions:

1. What the Words Mean: In this Agreement and the Disclosure Statement, please remember that,

"we", "our" and "us" mean the person or entity which has signed or submitted the Application and/or this Agreement, and;

"you" and "your" mean Royal Bank of Canada and companies under RBC®;

Please also remember that in this Agreement and the Disclosure Statement;

"Account" means the RBC Royal Bank Visa Business Card account you have opened in a Cardholder's name to which Debt is charged;

"Account Statement" means your written statement of the Account that you prepare for a Cardholder about every three (3) or four (4) weeks. The period covered by each Account Statement will vary between 27 days and 34 days;

"Aggregate Credit Limit" means the maximum aggregate amount of Debt that can remain outstanding and unpaid at any time in the Accounts of all Cardholders under this Agreement;

"Agreement" means this Visa Business Card Agreement and all annexes attached to this Visa Business Card Agreement;

"Application" means the request made to you for the Account and each Card;

"Authorized Person" means any individual we have designated in writing as being authorized to ask you to open an Account and issue a Card to a Cardholder under this Agreement and to perform administrative duties for us under this Agreement;

"Card" means any Visa Business credit card you issue to a Cardholder on an Account in their name at our request, and all renewals of and replacements for that credit card;

"Cardholder" means an individual for whom you have opened an Account and to whom you have issued a Card on that Account at the request of an Authorized Person under this Agreement;

"Cash Advance" means an advance of cash that is charged to a Cardholder's Account with, or in connection with, their Card (or any other eligible Account access card you have issued to the Cardholder) and bill payments made from the Account at a bank branch, at a banking machine or on the internet, Credit Card Cheques, balance transfers and "cash-like" transactions, including, without limitation, money orders, wire transfers, travellers' cheques, and gaming transactions (including betting, off-track betting, race track wagers, casino gaming chips, lottery tickets);

"Credit Limit" means the maximum amount of Debt that can remain outstanding and unpaid at any time in a Cardholder's Account under this Agreement;

"Debt" means all amounts charged to a Cardholder's Account with or in connection with their Card, including Purchases, Cash Advances, interest, and Fees;

"Disclosure Statement" means your written statement of the Interest Rates and Fees for each Account and each Card set out in a document accompanying each Card when you issue it to a Cardholder and in any other document or statement you may send to Cardholders or us from time to time;

"Fee" means a fee that applies to a Cardholder's Account and this Agreement, as set out in the Disclosure Statement and in any document or other written statement you may send to the Cardholder or us from time to time;

"Grace Period" means the number of days between the Cardholder's Statement Date and Payment Due Date;

"Interest-Bearing Balance" means the unpaid balance of the Debt outstanding in a Cardholder's Account that is made up of any combination of Interest-Bearing Purchases and Interest-Bearing Fees and Cash Advances;

"Interest-Bearing Purchase and Interest-Bearing Fee" means a Purchase or Fee appearing on an Account Statement for the first time whether either or both of the following occurs: (i) the Debt shown on that Account Statement is not paid in full by that Account Statement's Payment Due Date or (ii) the Debt shown on the preceding Account Statement was not paid in full by the preceding Account Statement's Payment Due Date;

"Interest Rate (Cash Advances including Credit Card Cheques)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Cash Advance;

"Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Interest-Bearing Purchase and Interest-Bearing Fee;

"Interest Rates" mean, collectively, the Interest Rate (Cash Advances including Credit Card Cheques) and the Interest Rate (Interest - Bearing Purchases and Interest-Bearing Fees);

"Liability Waiver Program" means the RBC Royal Bank Visa Liability Waiver program in force from time to time, a current copy of which is annexed to this Agreement;

"Minimum Payment" means the amount indicated as such on an Account Statement;

"New Balance" means the amount indicated as such on an Account Statement;

"Payment Due Date" means the date indicated as such on an Account Statement;

"Personal Identification Number" means the personal identification number that a Cardholder has selected in your prescribed manner;

"Purchase" means a purchase of goods or services (or both) that is charged to a Cardholder's Account with or in connection with their Card; and

"Statement Date" means the last date of the Statement period for which an Account Statement is produced.

2. **General Terms of Agreement:** This Agreement and the Disclosure Statement apply to each Account and Card. This Agreement replaces all prior Visa Business Card agreements between you and us for each Account and Card.

This Agreement is our promise to pay amounts owing on each of our Visa Business Accounts. It together with our Visa Business Card Application explains our rights and duties.

We acknowledge and agree that we must provide each Cardholder with a copy of this Agreement.

If a Cardholder signs, activates or uses their Card or their Account, it will mean that we have received and read this Agreement and agree to and accept all of its terms.

We confirm that all information provided to you regarding the applicant's ownership, control and structure is true, complete and accurate in all respects.

We must promptly give you up-to-date credit and financially related information about us when you ask for it. The section headings in this Agreement appear only for ease of reference purposes. They do not form part of this Agreement.

3. **Account Opening/Card Issuance and Renewal:** You will open an Account for, and will issue a Card on that Account to, a Cardholder at our request or at the request of an Authorized Person made on a fully completed request form that you have prescribed for this purpose. For any Cardholder that is not responsible for the payment of any Debt under this Agreement, you will maintain a record of the name of the Cardholder only. We acknowledge and agree that we shall obtain the name, address, telephone number, and date of birth of such Cardholders and shall maintain a record of such information obtained for a period of 7 years. We agree to immediately provide such information to you if requested by you.

You will also issue renewal and replacement Cards (excluding an emergency replacement Card) to each Cardholder before the expiration date indicated on the Card last issued to them. You will continue to issue renewal and replacement Cards to a Cardholder in this way until we or the Cardholder tells you to stop. An emergency replacement Card will be issued by you to a Cardholder when required according to your customary operating procedures.

4. **Account and Card Use:** A Cardholder may use their Account and Card to obtain advances of money from you through Purchase transactions, Cash Advance transactions and other transactions you permit from time to time. The use of each Account and Card is governed by this Agreement. An Account and Card may only be used by the Cardholder in whose name it has been opened or issued. A Cardholder must not use their Card after the expiration date shown on it or after the termination of this Agreement. A Cardholder may not use their Card for any illegal, improper or unlawful purpose.

You reserve the right to refuse your authorization for certain types of transactions as determined by you.

5. **Account and Card Ownership:** You are the owner of each Account and Card. Neither we nor any Cardholder has the right to assign or transfer this Agreement, any Card or any Account to anyone else
6. **Lost or Stolen Card:** We or a Cardholder must tell you at once if the Cardholder's Card is lost or stolen or if we or the Cardholder suspects it is lost or stolen. We or the Cardholder may do this in the way you have set out on each Account Statement.

If a Cardholder's Card is lost or stolen, we will be liable to you for:

1. all Debt on the Cardholder's Account, up to a maximum of \$1,000.00, resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which only their Card or Cardholder's Account number has been used to complete those transactions, and

2. all Debt resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which their Card and Personal Identification Number have been used together to complete those transactions.

We will not be liable to you for any Debt resulting from the loss or theft of the Cardholder's Card that is incurred after the time we or the Cardholder tells you about that loss or theft.

7. **Card Cancellation/Revocation or Suspension of Use:** We may cancel a Cardholder's Account and Card for any reason (including, without limitation, the death of the Cardholder) by providing you with written notice of cancellation of that Account and Card. Subject to Section 6, we will be liable to you for all Debt, howsoever and by whomsoever incurred, resulting from the use of the Cardholder's Account or Card from the time we provide written notice of cancellation to you of the Cardholder's Card until the time we have notified you that the Card has been destroyed.

If the Debt outstanding in a Cardholder's Account exceeds the Credit Limit at any time, you may suspend the Cardholder's right to use their Account and Card and all services you provide to the Cardholder under this Agreement until such time as that excess is paid to you in full.

You may revoke or suspend a Cardholder's right to use their Account and Card at any time without notice. The Cardholder must also surrender their Card to us or to you at our (or your) request.

8. **Limits:** You will set an Aggregate Credit Limit for all Accounts and you may change it from time to time without notice.

If we consistently make late payments or no payments, you may reduce the Aggregate Credit Limit of all accounts. You will tell us what the initial Aggregate Credit Limit is at or before the time an Account is opened for a Cardholder under this Agreement. We will not permit the Debt we owe to you at any time to exceed the Aggregate Credit Limit. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed the Aggregate Credit Limit you set from time to time.

You will set a Credit Limit for each Cardholder's Account and you may change the Credit Limit for a Cardholder's Account periodically. You will tell each Cardholder what their current Credit Limit is on the document accompanying their Card when you issue it to them and on each Account Statement. We will ensure that each Cardholder observes their Credit Limit. We will not permit the Debt we owe to you in respect to an Account at any time to exceed the Credit Limit for that Account. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed that Credit Limit you set from time to time. We understand that the use of any Card and the Account may be suspended, at your discretion, if the Credit Limit is exceeded. An overlimit fee will be charged to an Account when you permit the Debt to exceed the Credit Limit of that Account during an Account Statement period. You may at any time refuse to permit the Debt to exceed the Credit Limit of an Account and require us to pay any balances which exceed the Credit Limit of an Account.

9. **Liability for Debt:** Subject to Sections 6. and 7., and except as may otherwise be provided under the Liability Waiver Program, we will be liable to you for all Debt charged to each Account, no matter how it is incurred or who has incurred it and even though you may send Account Statements to Cardholders and not to us. However, you will provide Account Statement or other information about that Debt to us at our request. You may apply any money we have on deposit with you or any of your affiliates against any Debt we have not paid to you as required under this Agreement without notice to us.
10. **Making Payments:** It is our responsibility to ensure that payment on each Cardholder's Account is received by you for credit to each Account by the Payment Due Date shown on each Account Statement, even if our Payment Due Date falls on a holiday or weekend.

Payments can be made on each Account at any time. Payment can be made by mail, at one of your branches, at an ATM that processes such payments through your telephone or online banking services or at certain other financial institutions that accept such payments. Even when normal postal service is disrupted, payments must continue to be made on each Account.

Payments do not automatically adjust the available Credit Limit. Payments on each Account made by mail or made through another financial institution's branch, ATM or online banking service may take several days to adjust the available Credit Limit. To ensure that a Payment is credited to a Cardholder's Account and automatically adjusts the available Credit Limit on the same business day, a Cardholder's payment must be made prior to 8:00pm local time on that business day at one of your branches or ATM's in Canada or through your telephone or online banking services.

We can also ask you to process our payment on each Payment Due Date each month by automatically debiting a bank account that we designate for that purpose. We may choose to pay the Minimum Payment, a fixed amount provided that it is not less than the Minimum Payment or our New Balance. If we ask you to automatically process payments in this manner, we agree to be bound by the terms and conditions set out in Rule H1 of the Rules of the Canadian Payments

Association, as amended from time to time. In addition, we agree to waive any pre-notification requirements that exist where variable payment amounts are being authorized. We may notify you at any time that we wish to revoke our authorization and a pre-authorized payment may, under certain circumstances, be disputed for up to 90 days. The Rules are available for us to review at [www.cdnpay.ca](http://www.cdnpay.ca).

11. **Payment of Debt:**

a. Subject to sub-Sections 11(b), 11(c) and Section 20., we may pay the Debt we owe to you in respect to each Cardholder's Account in full or in part at any time.

b. Subject to Subsection 11.c. and Section 20., we must make a payment of the lesser of \$10.00 plus Interest plus Fees as shown on the current Account Statement and our New Balance by the Payment Due Date shown in order to keep the Account up to date. Any pastdue amounts will continue to be included in our Minimum Payment amount.

c. We must also pay the amount of any Debt that exceeds the Credit Limit for a Cardholder's Account at once to keep that Account up-to-date. We must pay this excess even though you may not yet have sent an Account Statement to the Cardholder on which that excess appears.

d. We must keep each Cardholder's Account up-to-date at all times even when you are delayed in or prevented from sending, for any reason, any one or more Account Statements to Cardholders. We must contact your Card Centre identified on Account Statements at least once a month during such a delay or interruption to obtain any payment information we do not have and need to know in order for us to comply with our obligations under this Section.

e. If any payment made by us in respect of a Cardholder's Account is not honoured, or if you must return it to us because it cannot be processed, the applicable fee will be charged under Section 14., and Card privileges may be revoked or suspended by you under Section 7.

f. If the New Balance on a Cardholder's previous Account Statement is paid in full by the Payment Due Date, the Grace Period for the Cardholder's current Account Statement will continue to be the minimum number of days applicable to the Card (21 days for Visa Classic and 17 days for Visa Avion®). If the previous New Balance on a Cardholder's Account Statement is not paid in full by the Payment Due Date, the Cardholder's Payment Due Date will be extended to 25 days from the Statement Date regardless of the type of Visa Card held by the Cardholder.

12. **Interest Charges:**

a. **Interest-Free Purchases and Interest-Free Fee:** We will not pay interest on the amount of any Purchase or Fee appearing on an Account Statement for the first time provided that all Debt shown on that Account Statement is paid in full by that Account Statement's Payment Due Date and all Debt shown on the preceding Account Statement was also paid in full by that preceding Account Statement's Payment Due Date.

b. **Interest-Bearing Balance:** We will pay interest on the Interest-Bearing Balance at the Interest Rates in effect in the manner described below and in sub-Section 12.(c):

**You will charge us interest:**

- i. on the amount of each Interest-Bearing Purchase and Interest-Bearing Fee from (and including) the transaction date recorded for them on the Account Statement where they appeared for the first time to the day you receive payment in full of the Interest-Bearing Balance; and
- ii. on the amount of each Cash Advance (including Credit Card Cheques) from (and including) the day they are obtained to the day you receive payment in full of the Interest-Bearing Balance.

a. **Interest Calculation:** The interest you charge on the Interest-Bearing Balance accrues daily.

You will calculate the interest on the Interest-Bearing Balance made up of Cash Advances by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Cash Advances and Credit Card Cheques) in effect and dividing the result by the number of days in the year. You will calculate the interest on the Interest-Bearing Balance made up of Interest-Bearing Purchases and Interest-Bearing Fees by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Interest-Bearing Purchase and Interest-Bearing Fee) in effect and dividing the result by the number of days in the year.

You will post the interest we owe on the Interest-Bearing Balance for the period covered by an Account Statement to the Account at the end of that period. Since the interest you charge on the Interest-Bearing Balance accrues daily up to the time you receive a payment of the Debt, the final interest charge on the Interest-Bearing Balance for that period can only be calculated and included on the Account Statement that shows the payment.

13. **Payment Allocation:** When we make a payment you will apply the amount up to our Minimum Payment, first to any interest and second to any fees. You will apply the remainder of any Minimum Payment to our New Balance, generally starting with amounts bearing the lowest interest rate before amounts bearing higher interest rates.

If we pay more than our Minimum Payment, you will apply the amount over the Minimum Payment to the remainder of our New Balance. If the different amounts that make up our New Balance are subject to different interest rates, you will allocate our excess payment in the same proportion as each amount bears to the remainder of our New Balance. If the same interest rate is applicable to both a cash advance (which never benefits from an interest-free grace period) and a purchase, you will apply our payment against the cash advance and the purchase in a similar proportionate manner. If we have paid more than our New Balance, you will apply any payment in excess of the New Balance to amounts that have not yet appeared on our monthly statement in the same manner as set out above.

Credits arising from returns or adjustments are generally first applied to transactions of a similar type, second to any interest and fees, and the remainder to other amounts owing in the same manner as you apply payments in excess of the Minimum Payment.

Unless you otherwise agree, any payment must be made in money which is legal tender at the time of payment. As well, the mere lapse of the time fixed for performing an obligation under this Agreement will have the effect of putting us in default of it.

14. **Fees:** We must pay all Fees. You will charge them to the Cardholder's Account at the time they are incurred.
15. **Banking Machines:** A Cardholder may use their Card together with their Personal Identification Number to make transactions on their Account at those banking machines and terminals you operate and at any other banking machines or terminals you designate from time to time, subject to the Cardholder's agreement with you governing the use of their Personal Identification Number.
16. **Debt Incurred Without a Card:** If a Cardholder incurs Debt without having presented their Card to a merchant (such as for internet, mail order or telephone Purchase), the legal effect will be the same as if the Cardholder had used their Card and signed a Purchase or Cash Advance draft.
17. **Transfer of Your Rights:** You may transfer any or all of your rights under this Agreement and the Disclosure Statement, by way of assignment, sale or otherwise. If you do so, you can give information concerning the Account to anyone you transfer your rights to, but will ensure that they are bound to respect our privacy rights in that information.
18. **Changes to Disclosure Statement:** You may change the Interest Rates and Fees for each Cardholder's Account and this Agreement set out or referred to in the Disclosure Statement periodically. We will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.
19. **Changes to Agreement:** You may change this Agreement periodically. Subject to Section (8), we will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

The benefits and services you provide to Cardholders are subject to terms and conditions which may be amended by you from time to time without notice to us or any Cardholder.

20. **Termination:**

1. You or we may terminate this Agreement at any time by giving written notice of termination to the party(ies) to be bound by that written notice. You must direct your written notice to our address last appearing on your records. Our written notice must be directed to your address appearing on the last Account Statement you have sent to Cardholders.

2. The occurrence of any one of the following events has the effect of putting us in default and you may terminate this Agreement at once without giving us any notice, if:

- u. we become insolvent or bankrupt,
  - b. someone files a petition in bankruptcy against us,
  - c. we make an unauthorized assignment for the benefit of our creditors,
  - d. we institute, or someone else institutes, any proceedings for the dissolution, liquidation or winding up of our affairs,
  - e. we institute, or someone else institutes, any other type of insolvency proceeding involving our assets under the Bankruptcy and Insolvency Act or otherwise,
  - f. we cease or give notice of our intention to cease to carry on business or make or agree to make a bulk sale of our assets without complying with applicable laws or we commit an act of bankruptcy,
  - g. we fail to pay any Debt or to perform any other obligation to you as required under this Agreement,
  - h. we make any statement or representation to you that is untrue in any material respect when made, or
  - i. there is, in your opinion, a material adverse change in our financial condition.
3. Upon termination of this Agreement, we must pay all Debt for each Account to you at once and ensure that each Cardholder destroys their Card and returns any unused Credit Card Cheques. If we fail to comply with our obligations to you under this Agreement, we will be liable to you for:
- a. all court costs and reasonable legal fees and expenses (on a solicitor-client basis) you incur through any legal process to recover any Debt, and
  - b. all costs and expenses you incur in reclaiming any Card.
21. **RBC Rewards<sup>®</sup>:** If a Card allows us to earn RBC Rewards points which can be redeemed for merchandise, travel and other rewards, we acknowledge that our participation in the RBC Rewards program is subject to the RBC Rewards Terms and Conditions. The RBC Rewards Terms and Conditions are available for review at [www.rbcwards.com](http://www.rbcwards.com) and are subject to change without notice.
22. **Special Offers (Introductory and Promotional Interest Rates):** You may make special offers to us from time to time, including Introductory Interest Rate and other Promotional Interest Rate offers that temporarily lower the interest rate applicable to portions of our balance, such as when we make certain types of Cash Advances.
- You sometimes make Introductory Interest Rate offers which apply to new Accounts only. For example, you could offer a low Introductory Interest Rate applicable to certain transactions for a limited period of time, such as a 3.9% Introductory Interest Rate on all Cash Advances for the first 9 months.
- A Promotional Interest Rate offer is an offer you may periodically make to us and that applies to our Card after our Account has been opened. For example, you could offer us a low Promotional Interest Rate applicable on certain transactions for a limited period of time, such as a 3.9% Promotional Interest Rate on Credit Card Cheques for 9 months.

If you make us a special offer, you will explain its scope

and duration and any additional terms that apply to it. If we accept the special offer by using the Credit Card Cheques or otherwise taking advantage of the special offer, we will be bound by this Agreement and any additional terms you set out in the offer. When the promotion expires, the special offer terms will end and the terms and conditions of this Agreement will continue to apply, including those related to interest and payments. Our monthly statement will set out any Introductory Interest Rate(s) or Promotional Interest Rate(s) that apply to our New Balance, any remaining balances associated with those rates, and when those rates expire. If any expiry date falls on a date for which you do not process statements (for example, weekends and certain holidays), you will continue to provide us with the benefit of that Introductory Interest Rate or Promotional Interest Rate until your next statement processing day.

23. **Problems With a Purchase:** You will not be responsible for any problem a Cardholder has with any Purchase. If the Cardholder has a problem or dispute with a merchant regarding a Purchase, we must still pay all Debt as required by this Agreement and settle the problem or dispute directly with the merchant.

You will not be responsible if a Card is not honoured by a merchant at any time and for any other problem or dispute a Cardholder may have with a merchant. As well, you reserve the right to deny authorization of any Purchase at any time.

24. **Account Statements, Verification and Disputes:** You will send Account Statements to each Cardholder, directed to the Cardholder's address last provided to you by the Authorized Person. You will prepare our Account Statements at approximately the same time each month. If the date on which you would ordinarily prepare our Account Statements falls on a date for which you do not process statements (for example, weekends and certain holidays), you will prepare our Account Statements on your next statement processing day. Our Payment Due Date will be adjusted accordingly. We will ensure that each Cardholder promptly examines all of their Account Statements and each entry and balance recorded in them. We will notify you in writing of any errors, omissions, or objections to an Account Statement, or an entry or balance recorded in it, within thirty (30) days from the Statement Date recorded on that Account Statement.

If we do not notify you as required, you are entitled to treat the above Account Statements, entries and balances as complete, correct and binding on us and you will be released from all claims by us in respect of those Account Statements, entries and balances.

You may use a microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt to establish our liability for that Debt. Upon request, you will provide a microfilm, electronic or other reproduction within a reasonable time frame of any Purchase or Cash Advance draft or other document evidencing the Debt.

If the item is a legitimate charge to the Cardholder's Account and the dispute is between the Cardholder or us and the merchant, we must still pay the Debt owing to you and settle the problem or dispute directly with the merchant. If the item is not a legitimate charge, you will return the item to the merchant and credit the Cardholder's Account.

25. **Authorized Person:** Upon signing this Agreement, we may designate one or more individuals as an Authorized Person who is authorized to act on our behalf and who may assist us in the administration of this Agreement.
26. **Exchange of Information Between You and Us:** Information about a Cardholder's use of their Account and Card, and pertinent information about any reimbursement of Debt received by the Cardholder from us, Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us.
27. **Electronic Communication:** We acknowledge and agree that you may provide Account Statements, this Agreement or other document relating to a Cardholder's Account electronically including over the Internet or to an email address we provide you for this purpose, with our consent. Documents sent electronically will be considered "in writing" and to have been signed and delivered by you. You may rely on and consider any electronically authenticated document received from us or which appears to have been received from us as authorized and binding on us. In order to communicate with you by electronic means, we agree to comply and require each Cardholder to comply with certain security protocols that you may establish from time to time and to take all reasonable steps to prevent unauthorized access to any Account Statement and any other documents exchanged electronically.
28. **Collection, Use and Disclosure of Information:**

For purposes of this Section: (i) "Customer" means the person or entity which has signed this Agreement, its Representatives and its owners; and (ii) "Representatives" mean directors, officers, employees, signing authorities, agents, contractors, subcontractors, service providers, consultants, internal or external auditors, legal or other professional advisors.

This Section describes how you collect, use and disclose Customer information in connection with this Agreement.

#### I. Collecting Information

You may collect and confirm financial and other information about Customer during the course of your relationship with Customer, including information:

- i. establishing Customer's existence, identity (for example, name, address, phone number, date of birth, etc.) and background;
- ii. related to transactions arising from Customer's relationship with and through you, and from other financial institutions;
- iii. provided on any application for products or services;
- iv. for the provision of products or services; and
- v. about Customer's financial behaviour, including payment history and credit worthiness.

You may obtain this information from any source necessary for the provision of products or services, including from: (i) Customer; (ii) service arrangements made with or through you; (iii) credit reporting agencies; (iv) other financial institutions; (v) registries; and (vi) references provided to you.

Customer acknowledges receipt of notice that from time to time reports about Customer may be obtained by you from credit reporting agencies.

## II. Using Information

All information collected by, and provided to you may be used and disclosed for the following purposes:

- i. to verify Customer's identity and investigate its background;
- ii. to open and operate the Accounts or provide other products and services;
- iii. to understand Customer's financial situation;
- iv. to determine, and make decisions about, the eligibility of Customer or Customer's affiliates for the products and services;
- v. to help you better understand the current and future needs of your clients;
- vi. to communicate to Customer any benefit, feature or other information about products and services;
- vii. to help you better manage your business and your relationship with Customer;
- viii. to operate the payment card network;
- ix. to maintain the accuracy and integrity of information held by a credit reporting agency; and
- x. as required or permitted by law.

For these purposes, you may (i) share the information with other persons, including your Representatives and regulators; (ii) share the information with other financial institutions and persons with whom Customer has financial or other business dealings; and (iii) give credit, financial and other related information to credit reporting agencies who may share it with other persons. In the event information is used or shared in a jurisdiction outside of Canada, the information will be subject to, and may be disclosed in accordance with, the laws of such jurisdiction. At Customer's request, you may give the information to other persons.

You may also use the information and share it with your affiliates to: (i) manage your risks and operations and those of your affiliates; (ii) comply with valid requests for information from regulators, government agencies, public bodies or other entities who have a right to issue such requests; and (iii) let your affiliates know Customer's choices under "Other Uses" below for the sole purpose of honouring Customer's choices.

If you have Customer's social insurance number, it may be used for tax related purposes and shared with appropriate government agencies, and may also be shared with credit reporting agencies for identification purposes.

#### III. Other Uses

All information collected by, and provided to you may also be used and disclosed for the following purposes:

- i. promoting products and services that may be of interest;
- ii. where not prohibited by law, referring Customer to your affiliates and for your affiliates to promote products and services that may be of interest. Customer acknowledges that as a result of such sharing, you and your affiliates may advise each other of the products or services provided; and
- iii. If Customer deals with your affiliates, you and your affiliates may, where not prohibited by law, consolidate all of the information you have with information any of your affiliates has about

Customer in order to manage the business of, and relationships with, you and your affiliates.

For the purposes described in subsections (i) and (ii), you and your affiliates may communicate with Customer through various channels, including mail, telephone, computer or any other electronic channel, using the most recent contact information provided.

Customer may choose not to have this information shared or used for any of these "Other Uses" by contacting you, and Customer will not be refused credit or other services just for this reason.

**IV. Online Activity**

Online activity information may also be collected in public and secure websites owned or operated by you or on behalf of you or your affiliates, or in any of your advertisements hosted on another person's websites, using cookies and other tracking technology, and used with other information about the Customer to assess the effectiveness of online promotions, to gather data about website functionality, to understand its interests and needs, to provide a customized online experience, and to communicate to the Customer information about the products or services. The Customer may choose not to have this information collected or used for the online personalization purposes described in this Section by contacting you.

**V. Contacting You**

Customer may obtain access to personal information you have about any of them at any time, including to review its content and accuracy and have it amended as appropriate, except to the extent access may be restricted as permitted or required by law. To request access to personal information or to request that Customer's information not be used for "Other Uses", Customer will contact Customer's main branch or call you toll free at 1-800 ROYAL® 1-1 (1-800-769-2511). More information about your privacy policies may be obtained by asking for a copy of the "Financial fraud prevention and privacy protection" brochure, calling the toll free number above or visiting your website at [www.rbc.com/privacysecurity/ca/](http://www.rbc.com/privacysecurity/ca/).

**VI. Personal Information**

The parties will treat all personal information in accordance with applicable laws. From time to time, you may request the Customer to take steps, including the entering into of additional documents, to ensure the protection of personal information and compliance with all applicable laws. The Customer will promptly comply with these requests.

**VII. Other Persons**

You are not responsible for any loss that occurs as a result of any use, including any unauthorized use, of information by any person, other than you and your Representatives to the extent agreed by you in this Agreement.

**VIII. Consents, etc.**

The Customer confirms that any necessary consent, approval, or authorization of any person has been obtained for the purposes of collecting, using, and disclosing their information in accordance with this Agreement and applicable laws.

**IX. Additional Consent**

The Customer's consents and agreements in this Agreement are in addition to any other consent, authorization, or preference of the Customer regarding the collection, use, disclosure, and retention of information.

**X. Your Information**

The Customer will use the products and services and your confidential information only for the purposes they are provided by you, and will ensure that your confidential information is not disclosed to any person except: (i) the Customer's Representatives who need to know such confidential information in connection with the products and services, provided that such Representatives are informed of the confidential nature of such confidential information and agree to treat same in accordance with terms substantially the same as in this Agreement; (ii) to the extent legally required, provided that, if not legally prohibited, the Customer will notify you in writing prior to any such disclosure; (iii) in accordance with this Agreement; or (iv) as otherwise agreed in writing by you.

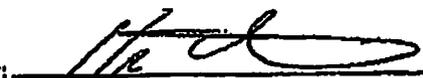
**XI. Remedies**

In the event of a breach or anticipated breach by a party or its Representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing any remedies provided by applicable laws, seek to obtain equitable relief, including an injunction or an order of specific performance of the other party's confidentiality obligations under this Agreement.

- 29. **Liability Waiver Program:** The Liability Waiver Program applies to this Agreement and is made available at no cost to us. We may request you to waive, in accordance with the Liability Waiver Program, our liability under Section 9. for certain unauthorized charges posted to a Cardholder's Account. We agree to abide by the provisions of the Liability Waiver Program as in effect from time to time.
- 30. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original, and those counterparts together will constitute one and the same agreement.
- 31. **Governing Law:** This Agreement shall be governed by the laws of our jurisdiction (or the laws of Ontario if we reside outside Canada) and the applicable laws of Canada.
- 32. **Complete Agreement, etc.:** This Agreement constitutes the complete agreement between you and us with respect to the subject matter hereof. No failure on your part to exercise, and no delay by you in exercising, any right under this Agreement will operate as a waiver thereof; nor will any single or partial exercise by you of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right by you under this Agreement.

Signed as of the 22nd day of February, 2018  
Month Year

**LAPLANTE WELDING OF CORNWALL INC.**  
Customer Legal Name

Per:   
Name: **KEVIN LAPLANTE**  
Title: **PRESIDENT**

Per:   
Name: **JULIE STEWART**  
Title: **Controller**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

(\* I/WE have authority to bind the Corporation.)

## DISCLOSURE STATEMENT

1. **General:** This Disclosure Statement applies to the Account and each Card you have issued on the Account.
2. **Interest Rates:** The Interest Rates are set out on each Account Statement. They are expressed as annual percentage rates.
3. **Annual Fee\*\*:**  
**Visa Business:** \$12.00 for each Visa Business Card.  
**Visa Business Gold:** \$40.00 for each Visa Business Gold Card.  
**Visa Business Platinum Avion®:** \$120.00 for the first Visa Business Platinum Avion Card opened and \$50.00 for each supplementary Visa Business Platinum Avion card opened by you.

\*\* Annual fees are not refundable

4. **Other Fees:** The following schedule of fees applies to the Account:

**A. Cash Advance Fee:** When we obtain the following types of Cash Advances at our standard Interest Rate (Cash Advances including Credit Card Cheques) or at an introductory Interest Rate, a \$3.50 fee for each transaction will be charged to our Account, unless otherwise stated:

(i) cash withdrawals from our Account at one of your branches or ATMs, or at any other financial institution's ATM, in Canada;

(ii) bill payments from our Account (that are not pre-authorized charges that we set up with a merchant) or when we transfer funds from our Account to another RBC Royal Bank bank account at one of your branches or ATMs, or through your online banking or telephone banking service;

(iii) when we make Cash-Like transactions, in Canada.

If the cash withdrawal or Cash-Like transaction occurs outside Canada, a \$5.00 fee will be charged to our Account each time.

Fees are charged within 3 business days from when the transaction is posted.

There is no fee if we are using a Credit Card Cheque at our standard Interest Rate (Cash Advances including Credit Card Cheques) or introductory Interest Rate.

**B. Promotional Rate Fee:** When we take advantage of a Promotional Interest Rate offer during the promotional period by writing a Credit Card Cheque or making a balance transfer through your online banking service or by calling your Cards Customer Service at 1-800 ROYAL® 1-2 (1-800-769-2512), a fee representing up to 3% of the Credit Card Cheque or balance transfer amount will be charged to our Account.

The exact Promotional Rate Fee will be disclosed at the time the offer is made to us. Fees are charged within 3 business days from when the transaction is posted.

**C. Dishonoured Payment Fee:** If a payment is not processed because a financial institution returns a cheque or refuses a pre-authorized debit, a \$45.00 fee will be charged to the Account on the date the payment reversal is posted. This fee is in addition to any fee charged for insufficient funds in the bank account.

**D. Statement Update Fee:** No charge for a copy of Account Statement for a current statement period; \$5.00 for a copy of Account Statement for any other statement period. A \$1.50 fee will be charged for each Account Statement update obtained from one of your branches in Canada or at a banking machine that provides Account Statement updates.

**E. Sales/Cash Advance Draft Copy Fee:** No charge for a copy of a sales or Cash Advance draft referred to in the Account Statement for the current statement period; \$2.00 for each copy of a sales or Cash Advance draft referred to in the Account Statement for any other statement period. (No charge for any draft copy to which an Account posting error applies.)

**F. Overlimit Fee:** If the Debt exceeds the Credit Limit at any time during the period covered by an Account Statement, a \$29.00 fee will be charged to the Account on the day the Debt exceeds the Credit Limit and on the first day of each subsequent Account Statement period if the Debt remains over the limit. A maximum of one Overlimit Fee per Account Statement period is charged.

5. **Foreign Currency Conversion:** The exchange rate shown on our Statement, to six decimal places, is calculated by dividing the converted Canadian dollar (CAD) amount, rounded to the nearest cent, by the transaction currency amount. It may differ from the original benchmark rate because of this rounding. The CAD amount charged to our account is 2.5% over the benchmark rate. Some foreign currency transactions are converted directly to CAD, while others may be converted first to U.S. dollars, then to CAD. In either case, the benchmark rate will be the actual exchange rate applied at the time of the conversion, and is generally set daily. The original benchmark rate at the time a transaction was converted may be obtained at [usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html](http://usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html). If we are paying interest on our Account, interest will also be charged on the full value of our foreign purchases, as determined by your exchange rate. For more information, please call toll-free at 1-800 ROYAL® 1-2 (1-800-769-2512).



This certificate is a valuable source of information. Please keep it in a safe place.

**What is RBC Royal Bank Liability Waiver Insurance?**

The RBC Royal Bank Liability Waiver Insurance program allows Eligible Companies that have entered into an agreement with Royal Bank of Canada ("Royal Bank") for the establishment of business and/or commercial Card accounts and the issuance of Cards to request Royal Bank to waive the Eligible Company's liability for certain Unauthorized Charges made by its Cardholders.

**Who Provides this Insurance?**

This insurance is provided by Royal & Sun Alliance Insurance Company of Canada (the "Insurer"). The policy number is PS1048576914 (the "Policy").

**What is the Maximum Amount of Insurance?**

The RBC Royal Bank Liability Waiver Insurance program will waive the Eligible Company's liability for Unauthorized Charges up to \$100,000 CAD per Card, subject to the terms, conditions, limitations and exclusions in this Certificate.

**Definitions**

"Affidavit of Waiver" means a written request sent to Royal Bank by mail or fax from the Eligible Company requesting Royal Bank to waive the Unauthorized Charges in accordance with the terms and conditions of this program.

"Card" means an RBC® Visa® Business, RBC Visa Business Platinum Avion®, RBC Visa Business Gold, RBC Commercial Avion Visa, RBC Commercial Cash Back Visa, RBC Commercial Visa, RBC Commercial U.S. Dollar Visa issued by Royal Bank to a Cardholder.

"Cardholder" means the designated employee of an Eligible Company to whom a Card has been issued by Royal Bank, who is over 18 years of age, residing in Canada and who is authorized to use the Card for business purposes, in accordance with the Eligible Company's internal policies. The Eligible Company will not request any person to receive a Card on any of its present or future accounts if that person has been named at any time by the Eligible Company in an Affidavit of Waiver.

"Charges" means the amounts, billed or unbilled, including purchases and cash advances, charged to a Card.

"Date of Notification of Employment Termination" means the date the Eligible Company gives or receives a written notice of immediate or pending employment termination of a Cardholder or the date on which the Cardholder leaves the Eligible Company's service, whichever is earlier, or if the Cardholder is a member of a bargaining unit of a union and the employer contract includes grievance procedures, the date the Eligible Company files a grievance with the labour arbitrator recommending the Cardholder's employment be terminated.

"Eligible Company" means a corporation, partnership, sole proprietorship or any other entity which has entered into an agreement with Royal Bank for the establishment of Card accounts and the issuance of Cards, if such agreement is still active and in force.

"RBC" shall mean Royal Bank of Canada.

"Waiver Date" is the date on the Affidavit of Waiver sent from the Eligible Company to Royal Bank.

**What are Unauthorized Charges?**

A. "Unauthorized Charges" are Charges to a Cardholder's Card

incurred by a Cardholder:

- a) which are not made in accordance with the Eligible Company's internal policies and/or which do not benefit the Eligible Company directly or indirectly, in whole or in part; or
- b) for which the Eligible Company has reimbursed the Cardholder but the Cardholder has not paid Royal Bank.

Provided that such Unauthorized Charges:

- i) are billed within the seventy-five (75) days preceding the Date of Notification of Employment Termination, or preceding the date Royal Bank receives the request from the Eligible Company to cancel the Card on which Unauthorized Charges were incurred;
- ii) are unbilled up to fourteen (14) days after Royal Bank has received a request to cancel the Card but were incurred prior to such request being received and provided the Eligible Company must have notified Royal Bank within two (2) business days of the Date of Notice of Employment Termination;
- iii) are discovered no later than 75 days after the termination of:
  - a) the Policy; or
  - b) the insurance in respect of the Eligible Company; whichever occurs first.

B. Auditors fees incurred with the Insurer's written consent solely to substantiate the amount of the claim are covered.

**What are Not Waivable Charges?**

The following Charges are excluded and not covered by this Policy, whether they are Unauthorized Charges or authorized Charges.

- 1. Charges made by partners, owners, or principal shareholders who own more than five percent (5%) of the Eligible Company's outstanding shares, or persons who are not employees of the Eligible Company at the time Charges were incurred.
- 2. Interest or fees imposed by Royal Bank on outstanding unpaid Charges.
- 3. In cases where Royal Bank invoices the Cardholder, any amount on a cheque submitted by a Cardholder which is not paid by the Cardholder's financial institution, if the Cardholder has, within the last twelve (12) months, submitted any other cheque to Royal Bank which was not paid by the Cardholder's financial institution.
- 4. Charges to purchase goods or services for the Eligible Company or bought for someone else if instructed or approved by the Eligible Company will not be covered. However, these Charges will be covered if Royal Bank bills the Cardholder directly, where the Eligible Company has reimbursed the Cardholder and the Cardholder has not paid Royal Bank.
- 5. Charges billed by the Cardholder more than fourteen (14) days after Date of Notification of Employment Termination.
- 6. Charges billed by the Cardholder more than fourteen (14) days after Royal Bank receives the request from the Eligible Company to cancel the Card.
- 7. Charges billed on or after the Date of Notification of Employment Termination if such Notification of Employment

Termination was not sent to Royal Bank within two (2) business days of the Date of Notification of Employment Termination.

8. Charges billed if the Eligible Company has not notified Royal Bank in writing to cancel the Card within two (2) business days of the Eligible Company's intention to cancel the Card or given notice to the Cardholder to stop using the Card or cancels the Card in accordance with the cancellation policy with Royal Bank.
9. Charges resulting from either a lost or stolen Card or Charges to a Card which is closed, frozen or ninety (90) or more days delinquent.
10. Cash advances after the Date of Notification of Employment Termination or immediately after Royal Bank receives the request by the Eligible Company to cancel the Card, in excess of \$300.00 per day per Cardholder, or a maximum of \$1,000.00 per Cardholder, whichever is less.
11. Any interest on money owing.

What are the Responsibilities of the Eligible Company?

Notification to Royal Bank. The Eligible Company may request Royal Bank to waive the Eligible Company's liability for Unauthorized Charges only if the Eligible Company meets all of the following requirements:

1. The Eligible Company must use its best efforts to retrieve the Card from the Cardholder and notify Royal Bank in writing to cancel the Card within two (2) business days of:
  - (i) the Date of Notification of Employment Termination; or
  - (ii) the Eligible Company's intention to cancel the Card and/or notice to the Cardholder to stop using the Card; and

such letter must state:

- (i) If applicable, that the Cardholder's employment has terminated and the Date of Notification of Employment Termination.
- (ii) If applicable, that the Card is cancelled or no longer authorized.
- (iii) The Cardholder's name, home address and, if the Cardholder's employment was terminated, the last known business addresses and Card number.
- (iv) If the Card was retrieved from the Cardholder and, if so, the date it was retrieved and confirmation that such Card is still in the Eligible Company's possession or is enclosed therein.
- (v) The Eligible Company requests the waiver of Unauthorized Charges.

Notification to Cardholder. In cases where Royal Bank sends its statements directly to the Cardholder, the Eligible Company must deliver to the Cardholder or send, by first-class mail in writing, a notice stating the Cardholder's right to use the Card has been cancelled, and instruct the Cardholder to:

- (i) Immediately discontinue all use of that Card;
- (ii) Immediately pay any outstanding Charges to Royal Bank; and
- (iii) Immediately return the Card to the Eligible Company.

If the Eligible Company knows that a Cardholder is receiving reimbursement for Charges but is not paying Royal Bank for those Charges, the Eligible Company must promptly give written notice to Royal Bank.

#### How To Make a Claim

1. An authorized official of the Eligible Company must send an "Affidavit of Waiver" to Royal Bank in writing by mail or fax. The Affidavit of Waiver must be sent within thirty (30) days of the employee's Notification of Employment Termination or the date of the Eligible Company's Intention to cancel the Card.
2. All claim documents must be filed with the insurer within six (6) months from the employee's Date of Notification of Employment Termination.

#### Inquiries

Please direct any claim inquiries to:

Royal & Sun Alliance Insurance Company of Canada  
Attention: Claims Management Services  
2225 Erin Mills Parkway, Suite 1000  
Mississauga, Ontario  
L5K 2S9

Within the Toronto Region telephone (905) 412-2016  
Outside the Toronto Region telephone 1-866-832-1354

Please refer to the program and the Policy number.

#### Recovery

1. If the Eligible Company recovers any amounts for Unauthorized Charges from any source after the Eligible Company has filed an Affidavit of Waiver with Royal Bank, the Eligible Company will remit all such amounts to Royal Bank. The Eligible Company agrees to assign any rights it may have to collect such amounts from the Cardholder to Royal Bank. The Eligible Company agrees to assign any rights it may have to collect such amounts from the Cardholder to the Insurer.
2. Royal Bank agrees to forward any recovered amounts to the Insurer, if the Insurer has already reimbursed Royal Bank for the Unauthorized Charges.

#### Other Insurance

This program does not cover losses that are covered by other insurance, and/or, losses that would have been paid if this program did not exist. Losses that are above those covered by other insurance as noted, but less than the limit of this coverage, are eligible for payment.

This certificate is not a contract of insurance. It contains only a summary of the principal provisions of the Policy. In the event of any conflict between the description of coverage in this certificate and the Policy, the Policy will govern.

#### Termination

Coverage under this Policy will automatically terminate on the earliest of the following:

- 1) the date the Eligible Company's agreement with Royal Bank for the establishment of Card accounts and the issuance of Cards is cancelled; or
- 2) the date the Policy terminates; or
- 3) thirty (30) days after the date of written request for cancellation by Royal Bank.

#### Misstatement

Any fraud, misstatement or concealment by the Eligible Company either in regard to any matter affecting this insurance or in connection with the making of a claim shall render this insurance null and void.

#### Currency

All claims will be paid in Canadian dollars.

©/™ Trademarks of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.

† All other trademarks are the property of their respective owner(s).

This is Exhibit "C" referred to in the Affidavit of Wajahat Mahmood sworn October 16<sup>th</sup>, 2018



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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

698-059-987

GENERAL SECURITY AGREEMENT



E-FORM 924 (2003/04)  
RETENTION - M

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to ROYAL BANK OF CANADA ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all inventory of whatever kind and wherever situate;
- (ii) all equipment (other than inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceed", "Inventory", "Accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(a), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., and the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

#### 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

#### 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any

manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES

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

## 7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

(i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;

(ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

**12. ACCELERATION**

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

**13. REMEDIES**

(a) Upon default, RBC may appoint or reappoint by Instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situated, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomsoever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor'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.

**14. MISCELLANEOUS**

(a) Debtor hereby authorizes RBC 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 Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situated) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any indebtedness 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 the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor 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 "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 48) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein mentioned branch of RBC is located, as those laws may from time to time be in effect, including where applicable, the P.P.S.A.

## 15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

16. Debtor represents and warrants that the following information is accurate:

**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR	CITY	PROVINCE	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>LAPLANTE WELDING OF CORNWALL INC.</b>			
ADDRESS OF BUSINESS DEBTOR 1400 TENTH STREET EAST	CITY CORNWALL	PROVINCE ON	POSTAL CODE K6H 5R5

**TRADE NAME (IF APPLICABLE)**

TRADE NAME OF DEBTOR			
PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 21 day of Sept 2006

LAPLANTE WELDING OF CORNWALL INC.

WITNESS [Signature]  
WITNESS [Signature]

[Signature] Seal  
Deborah Laplante Seal

**BRANCH ADDRESS**

ONTARIO EAST BUSINESS CENTRE LOWER LEVEL 300 PITT ST CORNWALL ON K6J 3P9
---

**SCHEDULE "A"**

**(ENCUMBRANCES AFFECTING COLLATERAL)**

**SCHEDULE "B"**

**1. Locations of Debtor's Business Operations**

**1400 TENTH STREET EAST  
CORNWALL, ONTARIO  
K6H 5R5**

**2. Locations of Records relating to Collateral (if different from 1. above)**

**3. Locations of Collateral (if different from 1. above)**

**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

8-FORM 924 (2007/04)

This is Exhibit "D" referred to in the Affidavit of Wajahat Mahmood sworn October 16<sup>th</sup> 2018

A handwritten signature in black ink, appearing to be 'Peter John Gordon', written over a horizontal line.

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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

**PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS**

**Date Search Conducted: 10/16/2018  
File Currency Date: 10/15/2018  
Family(ies): 13  
Page(s): 34**

**SEARCH : Business Debtor : LAPLANTE WELDING OF CORNWALL INC.**

**The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.**

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS

Date Search Conducted: 10/16/2018  
File Currency Date: 10/15/2018  
Family(ies): 13  
Page(s): 34

SEARCH : Business Debtor : LAPLANTE WELDING OF CORNWALL INC.

FAMILY : 1 OF 13 ENQUIRY PAGE : 1 OF 34  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

00 FILE NUMBER : 085628718 EXPIRY DATE : PERPETUAL STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20010125 1556 0011 8836 REG TYP: P PPSA REG PERIOD: 99 (PERP)  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC

04 ADDRESS : 1400 TENTH STREET OCN :  
CITY : CORNWALL PROV: ON POSTAL CODE: K6H 5R5  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
LAPLANTE STEEL STRUCTURES INC.

09 ADDRESS : 1400 TENTH STREET PROV: ON POSTAL CODE: K6H 5R5  
CITY : CORNWALL MV DATE OF OR NO FIXED  
CONS. MATURITY MAT DATE  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT  
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YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: JOHN H. MCDONALD  
17 ADDRESS : 206 PITT STREET  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 3P6

FAMILY : 1 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 2 OF 34

FILE NUMBER 085628718

01 CAUTION : PAGE TOT REGISTRATION NUM REG TYPE  
001 OF 1 MV SCHED: 20040716 1127 2150 0040  
21 REFERENCE FILE NUMBER : 085628718  
22 AMEND PAGE: NO PAGE: CHANGE: J OTHER REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE: POSTPONEMENT  
26 REASON: THE SECURITY INTEREST REGISTERED BY THE ABOVE REGISTRATION NUMBER  
27 /DESCR: 20010125 1556 0011 8836 IS POSTPONED IN FAVOUR OF THE SECURITY  
28 : INTEREST REGISTERED BY FILE NUMBER 607380066  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MCDONALD DUNCAN  
17 ADDRESS : 206 PITT STREET  
CITY : CORNWALL PROV : ON POSTAL CODE : K6J 3P6

FAMILY : 1 OF 13

ENQUIRY PAGE : 3 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 085628718

	PAGE	TOT	REGISTRATION NUM	REG TYPE
01 CAUTION :	001 OF 002	MV SCHED:	20070330 1156 1862 2989	
21 REFERENCE FILE NUMBER :	085628718			
22 AMEND PAGE:	NO PAGE: X	CHANGE: J	OTHER	REN YEARS: CORR PER:
23 REFERENCE DEBTOR/	IND NAME:			
24 TRANSFEROR:	BUS NAME: LAPLANTE WELDING OF CORNWALL INC.			

25 OTHER CHANGE: SUBORDINATION

26 REASON: THE SECURITY INTEREST REGISTERED BY THE ABOVE FILE NUMBER BEING  
 27 /DESCR: REGISTRATION NO. 20010125155600118836 IS POSTPONED IN FAVOUR OF THE  
 28 : SECURITY INTEREST REGISTERED BY FILE NUMBER 633864681 BEING

02/05 IND/TRANSFEREE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

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DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

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MATURITY OR

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16 NAME : MCDONALD DUNCAN

17 ADDRESS : 206 PITT STREET

CITY : CORNWALL

PROV : ONT

POSTAL CODE : K6J 3P6

FAMILY : 1 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 4 OF 34

FILE NUMBER 085628718

01 CAUTION : PAGE TOT REGISTRATION NUM REG TYPE  
002 OF 002 MV SCHED: 20070330 1156 1862 2989  
21 REFERENCE FILE NUMBER : 085628718  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE: SUBORDINATION  
26 REASON: REGISTRATION NO. 20070329142318622891.  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :

FAMILY : 2 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 5 OF 34

00 FILE NUMBER : 628954551 EXPIRY DATE : 15SEP 2021 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20060915 1452 1530 8221 REG TYP: P PPSA REG PERIOD: 5

02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC

OCN :

04 ADDRESS : 1400 TENTH STREET EAST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6H 5R5

05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
ROYAL BANK OF CANADA

09 ADDRESS : 630 RENE LEVESQUE W 1ST FL  
CITY : MONTREAL PROV: PQ POSTAL CODE: H3B 1S6  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X X X X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 2 OF 13

ENQUIRY PAGE : 6 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 628954551

	PAGE	TOT	REGISTRATION NUM	REG TYPE
01 CAUTION :	01	OF 001	MV SCHED: 20110725 1453 1530 4492	
21 REFERENCE FILE NUMBER :	628954551			
22 AMEND PAGE:	NO	PAGE: X	CHANGE: B	RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/	IND NAME:			
24 TRANSFEROR:	BUS NAME: LAPLANTE WELDING OF CORNWALL INC			

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

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02/05 IND/TRANSFEREE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

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DATE OF

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GOODS INVTRY EQUIP ACCTS OTHER

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY

PROV : BC

POSTAL CODE : V5G 3S8

FAMILY : 2 OF 13

ENQUIRY PAGE : 7 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 628954551

	PAGE	TOT	REGISTRATION NUM	REG TYPE
01 CAUTION :	01	OF 001	MV SCHED: 20160812 1439 1530 0499	
21 REFERENCE FILE NUMBER :	628954551			
22 AMEND PAGE:	NO	PAGE: X	CHANGE: B	RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/	IND NAME:			
24 TRANSFEROR:	BUS NAME: LAPLANTE WELDING OF CORNWALL INC			

25 OTHER CHANGE:  
 26 REASON:  
 27 /DESCR:  
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 02/05 IND/TRANSFEREE:  
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
 CITY: PROV: POSTAL CODE:  
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
 CITY : PROV : POSTAL CODE :  
 CONS. MV DATE OF NO FIXED  
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE  
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 2 OF 13 ENQUIRY PAGE : 8 OF 34  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 628954551  
PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 01 OF 001 MV SCHED: 20160830 1040 1529 5689  
21 REFERENCE FILE NUMBER : 628954551  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC

25 OTHER CHANGE:  
26 REASON: CHANGE BUSINESS DEBTOR ADDRESS -  
27 /DESCR: FROM - 1400 TENTH STREET EAST, CORNWALL, ON K6H 5R5  
28 : TO - 800 SECOND ST W CORNWALL ON CANADA K6J1H6  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE: LAPLANTE WELDING OF CORNWALL INC

04/07 ADDRESS: 800 SECOND ST W OCN:  
CITY: CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS  
17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 3 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 9 OF 34

00 FILE NUMBER : 659040957 EXPIRY DATE : 02FEB 2030 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :  
REG NUM : 20100202 1259 6005 6949 REG TYP: P PPSA REG PERIOD: 10  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

04 ADDRESS : 1400 10TH ST. E OCN :  
CITY : CORNWALL PROV: ON POSTAL CODE: K6H 5R5  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
ROYAL BANK OF CANADA 81585-18049  
09 ADDRESS : 180 WELLINGTON ST W, 5TH FLOOR  
CITY : TORONTO PROV: ON POSTAL CODE: M5J 1J1  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE X X X MODEL V.I.N.

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 13 ENQUIRY PAGE : 10 OF 34  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 659040957  
REGISTRATION NUM REG TYPE  
01 CAUTION : PAGE TOT 20160503 1440 8077 6472 P PPSA  
01 OF 001 MV SCHED:  
21 REFERENCE FILE NUMBER : 659040957  
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 10 CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : REGISTRY = RECOVERY INC.  
17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 3 OF 13 ENQUIRY PAGE : 11 OF 34  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 659040957  
REGISTRATION NUM REG TYPE  
20160503 1638 8077 6519  
01 CAUTION : PAGE TOT  
01 OF 005 MV SCHED:  
21 REFERENCE FILE NUMBER : 659040957  
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE:  
26 REASON: ADDITION OF GENERAL COLLATERAL  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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13 MASTER LEASE DATED MARCH 23, 2010 TOGETHER WITH ALL INVENTORY  
14 AND EQUIPMENT NOW OR HEREAFTER ACQUIRED BY THE DEBTOR AND  
15 FINANCED BY THE SECURED PARTY TOGETHER WITH ALL ATTACHMENTS,  
16 NAME : REGISTRY = RECOVERY INC.  
17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 3 OF 13

ENQUIRY PAGE : 12 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 659040957

01 CAUTION : PAGE TOT REGISTRATION NUM REG TYPE  
02 OF 005 MV SCHED: 20160503 1638 8077 6519  
21 REFERENCE FILE NUMBER : 659040957  
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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13 ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS  
14 AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED  
15 DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR  
16 NAME : REGISTRY = RECOVERY INC.

17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 3 OF 13

ENQUIRY PAGE : 13 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 659040957

01 CAUTION : PAGE TOT REGISTRATION NUM REG TYPE  
03 OF 005 MV SCHED: 20160503 1638 8077 6519  
21 REFERENCE FILE NUMBER : 659040957  
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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13 PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS  
14 IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS  
15 OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL,  
16 NAME : REGISTRY = RECOVERY INC.

17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 3 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 14 OF 34

FILE NUMBER 659040957

01 CAUTION : PAGE TOT REGISTRATION NUM REG TYPE  
04 OF 005 MV SCHED: 20160503 1638 8077 6519  
21 REFERENCE FILE NUMBER : 659040957  
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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11  
12

13 CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE,  
14 SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS  
15 AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL  
16 NAME : REGISTRY - RECOVERY INC.  
17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 3 OF 13

ENQUIRY PAGE : 15 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

FILE NUMBER 659040957

	PAGE	TOT	REGISTRATION NUM	REG TYPE
01 CAUTION :	05	OF 005	MV SCHED: 20160503 1638 8077 6519	
21 REFERENCE FILE NUMBER :	659040957			
22 AMEND PAGE:	NO PAGE:	CHANGE: A	AMNDMNT REN YEARS:	CORR PER:
23 REFERENCE DEBTOR/	IND NAME:			
24 TRANSFEROR:	BUS NAME: LAPLANTE WELDING OF CORNWALL INC.			

25 OTHER CHANGE:  
 26 REASON:  
 27 /DESCR:  
 28 :  
 02/05 IND/TRANSFEE:  
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
 CITY: PROV: POSTAL CODE:  
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :	PROV :	POSTAL CODE :
CITY :	MV	DATE OF
CONS.	INCL	AMOUNT
GOODS INVTRY EQUIP ACCTS OTHER		NO FIXED
		MATURITY OR MAT DATE

10  
 11  
 12  
 13 OR PROCEEDS OF THE COLLATERAL.  
 14  
 15

16 NAME : REGISTRY = RECOVERY INC.  
 17 ADDRESS : 1551 THE QUEENSWAY  
 CITY : TORONTO

PROV : ON POSTAL CODE : M8Z 1T5

FAMILY : 4 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 16 OF 34

00 FILE NUMBER : 690562836 EXPIRY DATE : 25SEP 2019 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :  
REG NUM : 20130925 1404 2078 1997 REG TYP: P PPSA REG PERIOD: 06  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

04 ADDRESS : 800 SECOND STREET WEST OCN :  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
GE CANADA EQUIPMENT FINANCING G.P. (9717688001) RS

09 ADDRESS : 2300 MEADOWVALE BLVD, SUITE 100  
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5N 5P9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X X X X  
YEAR MAKE MODEL V.I.N.

11  
12  
13 GENERAL COLLATERAL DESCRIPTION

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15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 5 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 17 OF 34

00 FILE NUMBER : 692038161 EXPIRY DATE : 21NOV 2018 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :  
REG NUM : 20131121 1442 5064 3317 REG TYP: P PPSA REG PERIOD: 05  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :  
04 ADDRESS : 800 2ND STREET WEST,  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
GE CANADA EQUIPMENT FINANCING G.P.

09 ADDRESS : 2300 MEADOWVALE BLVD.,  
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5N 5P9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X X X X X 152000 X  
YEAR MAKE MODEL V.I.N.  
11 2007 JLG 860SJ 0300112926  
12 2008 JLG 860SJ 0300128431

GENERAL COLLATERAL DESCRIPTION

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16 AGENT: SECUREFACT TRANSACTION SERVICES, INC.  
17 ADDRESS : 350 BAY STREET, SUITE 300  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 2S6

FAMILY : 6 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 18 OF 34

00 FILE NUMBER : 711126288 EXPIRY DATE : 23OCT 2020 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20151023 1438 6005 3993 REG TYP: P PPSA REG PERIOD: 05  
02 IND DOB : 17DEC1958 IND NAME: KEVIN W LAPLANTE  
03 BUS NAME:

OCN :

04 ADDRESS : 200 2ND STREET WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : 26APR1957 IND NAME: DEBORAH J LAPLANTE  
06 BUS NAME:

OCN :

07 ADDRESS : 200 2ND STREET WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6

08 SECURED PARTY/LIEN CLAIMANT :  
NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE  
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL INDUSTRIAL MANUFACTURING EQUIPMENT, STRUCTURAL FABRICATION  
14 SYSTEM, SOFTWARE LICENSE OF EVERY NATURE OR KIND DESCRIBED IN LEASE  
15 NUMBER 2724721, BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR

16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 6 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 19 OF 34

00 FILE NUMBER : 711126288 EXPIRY DATE : 23OCT 2020 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 201S1023 1438 6005 3993 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

04 ADDRESS : 200 2ND STREET WEST OCN :  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

07 ADDRESS : OCN :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

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12

GENERAL COLLATERAL DESCRIPTION

13 AS LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL  
14 ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.

15

16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 7 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 20 OF 34

00 FILE NUMBER : 713873025 EXPIRY DATE : 05FEB 2036 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20160205 1203 1862 9204 REG TYP: P PPSA REG PERIOD: 20

02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6

05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
BUSINESS DEVELOPMENT BANK OF CANADA

09 ADDRESS : MANULIFE PLACE, 55 METCALFE STREET  
CITY : OTTAWA PROV: ON POSTAL CODE: K1P 6L5  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X X X X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MCDONALD DUNCAN LLP

17 ADDRESS : 206 PITT STREET  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 3P6

FAMILY : 8 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 21 OF 34

00 FILE NUMBER : 717516837 EXPIRY DATE : 09JUN 2022 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20160609 1505 1862 8483 REG TYP: P PPSA REG PERIOD: 6  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
CORNWALL & THE COUNTIES COMMUNITY FUTURES DEVELOPMENT CORPORATION

09 ADDRESS : 850 BOUNDARY ROAD, SUITE 9  
CITY : SOUTH GLENGARRY PROV: ON POSTAL CODE: K6J 7P6  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X X X X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

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15

16 AGENT: MCDONALD, DUNCAN LLP

17 ADDRESS : 206 PITT STREET  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 3P6

FAMILY : 9 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 22 OF 34

00 FILE NUMBER : 722921175 EXPIRY DATE : 29NOV 2018 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20161129 1615 6005 1763 REG TYP: P PPSA REG PERIOD: 02  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET WEST,  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE,  
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL COMPUTER SOFTWARES OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT  
14 NUMBER 2794748, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED  
15 FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND  
16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 9 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 23 OF 34

00 FILE NUMBER : 722921175 EXPIRY DATE : 29NOV 2018 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20161129 1615 6005 1763 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: OCN :

04 ADDRESS :  
CITY : PROV: POSTAL CODE:  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

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12  
GENERAL COLLATERAL DESCRIPTION  
13 SUBSTITUTIONS.

14  
15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 10 OF 13

ENQUIRY PAGE : 24 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

00 FILE NUMBER : 722921382 EXPIRY DATE : 29NOV 2020 STATUS :  
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
 REG NUM : 20161129 1624 6005 1764 REG TYP: P PPSA REG PERIOD: 04  
 02 IND DOB : IND NAME:  
 03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET WEST,  
 CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
 05 IND DOB : IND NAME:  
 06 BUS NAME:

OCN :

07 ADDRESS :  
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
 NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE,  
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9  
 CONS. MV DATE OF OR NO FIXED  
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X MODEL V.I.N.

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12

GENERAL COLLATERAL DESCRIPTION

13 ALL SURVEYING EQUIPMENT-TRIMBLE AND RELATED COMPONENTS OF EVERY  
 14 NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2794749, BETWEEN THE  
 15 SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER  
 16 AGENT:

17 ADDRESS :  
 CITY : PROV: POSTAL CODE:

FAMILY : 10 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 25 OF 34

00 FILE NUMBER : 722921382 EXPIRY DATE : 29NOV 2020 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20161129 1624 6005 1764 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:

03 BUS NAME:

OCN :

04 ADDRESS :

CITY :

PROV:

POSTAL CODE:

05 IND DOB :

IND NAME:

06 BUS NAME:

OCN :

07 ADDRESS :

CITY :

PROV:

POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :

CITY :

PROV:

POSTAL CODE:

CONS.

MV

DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10

YEAR MAKE

MODEL

V.I.N.

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12

GENERAL COLLATERAL DESCRIPTION

13 WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.

14

15

16 AGENT:

17 ADDRESS :

CITY :

PROV:

POSTAL CODE:

FAMILY : 11 OF 13

ENQUIRY PAGE : 26 OF 34

SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: P PPSA REG PERIOD: 6  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET, WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
WELLS FARGO EQUIPMENT FINANCE COMPANY

09 ADDRESS : 1290 CENTRAL PARKWAY WEST, SUITE 1100  
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5C 4R3  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10	YEAR MAKE	X	MODEL	V.I.N.	X
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12

GENERAL COLLATERAL DESCRIPTION

13 ONE (1) 2013 PC-1000 PLASMA (MACHITECH AUTOMATION 30 HP  
14 DRILLING HEAD WITH A 122? X 32FT WATER TABLE) S/N 50880 THE GOODS  
15 DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES,  
16 AGENT: REGISTRY = RECOVERY INC.  
17 ADDRESS : 1551 THE QUEENSWAY  
CITY : TORONTO PROV: ON POSTAL CODE: M8Z 1T5

FAMILY : 11 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 27 OF 34

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 02 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:

03 BUS NAME: OCN :

04 ADDRESS :  
CITY : PROV: POSTAL CODE:

05 IND DOB : IND NAME:

06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11  
12

GENERAL COLLATERAL DESCRIPTION

13 ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS  
14 THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY  
15 FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT

16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 11 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 28 OF 34

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 03 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: OCN :  
04 ADDRESS : PROV: POSTAL CODE:  
CITY :  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS : PROV: POSTAL CODE:  
CITY :

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS : PROV: POSTAL CODE:  
CITY :  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

11  
12

GENERAL COLLATERAL DESCRIPTION

13 LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS,  
14 GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE  
15 LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES,  
16 AGENT:

17 ADDRESS : PROV: POSTAL CODE:  
CITY :

FAMILY : 11 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 29 OF 34

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 04 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: OCN :

04 ADDRESS :  
CITY : PROV: POSTAL CODE:  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

11  
12

GENERAL COLLATERAL DESCRIPTION

13 DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR  
14 ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO  
15 THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (9941094001 - FC) (FOR  
16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 11 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 30 OF 34

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 05 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: OCN :

04 ADDRESS :  
CITY : PROV: POSTAL CODE:  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

11  
12  
GENERAL COLLATERAL DESCRIPTION  
13 INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)

14  
15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 11 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 31 OF 34

00 FILE NUMBER : 732888882 EXPIRY DATE : 12OCT 2023 STATUS :  
01 CAUTION FILING : PAGE : 06 OF 006 MV SCHEDULE ATTACHED :  
REG NUM : 20171012 1628 8077 1841 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME:

04 ADDRESS : OCN :  
CITY : PROV: POSTAL CODE:  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

11  
12  
13 GENERAL COLLATERAL DESCRIPTION

14  
15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 12 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 32 OF 34

00 FILE NUMBER : 735551424 EXPIRY DATE : 10JAN 2019 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20180110 1001 1462 0142 REG TYP: P PPSA REG PERIOD: 1  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC OCN :  
04 ADDRESS : 800 SECOND ST WEST  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J1H6  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
ATCO STRUCTURES & LOGISTICS LTD.  
09 ADDRESS : 115 PEACEKEEPERS DRIVE SW  
CITY : CALGARY PROV: AB POSTAL CODE: T3E7X4  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X 22100 X  
11 YEAR MAKE MODEL V.I.N.  
2015 8X20 OFFICE 020154909

12 GENERAL COLLATERAL DESCRIPTION

13  
14  
15

16 AGENT: ATCO STRUCTURES & LOGISTICS LTD.  
17 ADDRESS : 115 PEACEKEEPERS DRIVE SW  
CITY : CALGARY PROV: AB POSTAL CODE: T3E7X4

FAMILY : 13 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 33 OF 34

00 FILE NUMBER : 738669861 EXPIRY DATE : 26APR 2022 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20180426 1247 6005 1335 REG TYP: P PPSA REG PERIOD: 04  
02 IND DOB : IND NAME:  
03 BUS NAME: LAPLANTE WELDING OF CORNWALL INC.

OCN :

04 ADDRESS : 800 SECOND STREET  
CITY : CORNWALL PROV: ON POSTAL CODE: K6J 1H6  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE (2867914)  
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X  
YEAR MAKE MODEL V.I.N.

11  
12

GENERAL COLLATERAL DESCRIPTION

13 ALL COMPUTER SOFTWARE OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT  
14 NUMBER 2867914, BETWEEN QUESTOR FINANCIAL CORP., AS ORIGINAL SECURED  
15 PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED BY THE ORIGINAL  
16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

FAMILY : 13 OF 13  
SEARCH : BD : LAPLANTE WELDING OF CORNWALL INC.

ENQUIRY PAGE : 34 OF 34

00 FILE NUMBER : 738669861 EXPIRY DATE : 26APR 2022 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20180426 1247 6005 1335 REG TYP: REG PERIOD:

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03 BUS NAME:

OCN :

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CITY : PROV: POSTAL CODE:

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06 BUS NAME:

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CITY : PROV: POSTAL CODE:

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CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11  
12

GENERAL COLLATERAL DESCRIPTION

13 SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM TIME TO TIME,  
14 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.

15

16 AGENT:

17 ADDRESS :  
CITY : PROV: POSTAL CODE:

This is Exhibit "E" referred to in the Affidavit of Wajahat Mahmood sworn October 16<sup>th</sup> 2018



---

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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

**PRIVATE & CONFIDENTIAL**

**Laplante Welding of Cornwall Inc.  
Preliminary Review of the Financial Situation and Restructuring Plan**

Presented to  
Mr. Kevin Laplante, President

Pierre Marchand, M.Sc, CPA, CMA, CIRP  
Senior Vice-President  
T 1 514.906.4645  
E pierre.marchand@mnp.ca

**MNP**  
LTD

**PRIVATE & CONFIDENTIAL**

August 1, 2018

Laplante Welding of Cornwall Inc.  
200 St-Georges St. West  
Alexandria, ON  
K0C 1A0

Attn: Mr. Kevin Laplante, President

Dear Mr. Laplante,

**Re:** Review of Financial Situation of Laplante Welding of Cornwall Inc. ("LWC" or the "Company") and Reorganization Plan

Pursuant to our engagement letter dated July 30, 2018, please find attached our preliminary report analyzing the financial position of the Company. This review is made in the context of the Company's current indebtedness to its secured creditors with whom you have agreed to share this report.

More specifically our mandate includes the following services:

- Analysis of the Company's financial position;
- Analysis of the estimated position of the secured creditors;
- Assist the Company with the completion of a 13-week cash flow; and
- Recommendations for a course of action.

To date, we have only completed the review of the Company's financial position and the calculation of the estimated borrowing capacity as per the banking agreement with the RBC Royal Bank of Canada ("RBC").

In connection with the engagement we have perused the information listed below:

- Company's external and internal statements;
- Company's internal financial working documents;

In the course of our review, we were in contact with management of the Company, specifically:

- Kevin Laplante, President
- Andrew Laplante; Vice-President Sales and Business Development
- Art Zentner, BGM Services, consultant
- Julie Stewart, Controller

The reader is cautioned to refer to the General Restrictions and Disclaimers advisory on page 4 of this report. If this report is received by anyone other than the aforementioned parties, the recipient is placed on notice that the attached report has been prepared solely for the Company and its secured creditors.

Furthermore, neither this report nor its content may be shared with or disclosed to anyone but the recipients without the express written consent of MNP.

Please contact me if you have any questions.

Your very truly,

**MNP LTD.**

Pierre Marchand  
Senior Vice-President

## **Table of Contents**

**General Restrictions and Limitations**

**Description of the Company and Involvement of MNP**

**Historical Results**

**F2018 Financial Results**

**Estimated Borrowing Capacity**

**Business model**

**Conclusions and Action Plan**

## General Restrictions and Limitations

LWC alone contracted for, and is the intended beneficiary of, this report in accordance with our Engagement Letter dated July 30, 2018. Its contents may not be reproduced, quoted, referred to or disclosed to others without our prior written consent in each specific instance. We will not assume any responsibility or liability for losses incurred as a result of the use of our report contrary to these provisions.

We make no representations regarding the sufficiency of the procedures we were requested to perform. In completing this report, we relied on representations of Management, Company-prepared assumptions, unaudited financial statements and other information. We did not carry out an audit of the Company's financial statements or of the information Management provided to us, nor did we verify any of the information contained in this report and, accordingly, we express no opinion thereon.

Our comments and conclusions are based on information that has been made available to us. We reserve the right to review all calculations and conclusions included or referred to in this report and, if we consider it necessary, to revise our calculations in light of information existing at the date of this report.

We do not provide any assurance as to any matters relating to the Company's ability to pay its debts due to its lenders.

The forecasts included in this report, if any, were prepared by the Company. Although we have reviewed the assumptions underlying the forecasts for reasonableness, financial forecasts, by their nature, are dependent upon future events, which are difficult to verify. Actual results will vary from the information presented and the variations may be material.

The forecasts reflect the Company's planned course of action during the period of the forecasts and are based on Management's judgment as to the most probable set of economic conditions. The assumptions used in the forecasts, although considered reasonable by Management, may prove to be incorrect. Actual results achieved during the forecast period will vary from the forecasted results and the variations could be material. For this reason, we express no opinion as to how closely the actual cash flows achieved will correspond to the forecasts.

**All the figures and tables of this report are unaudited and in thousand of dollars, unless otherwise specified.**

# Presentation of the Company

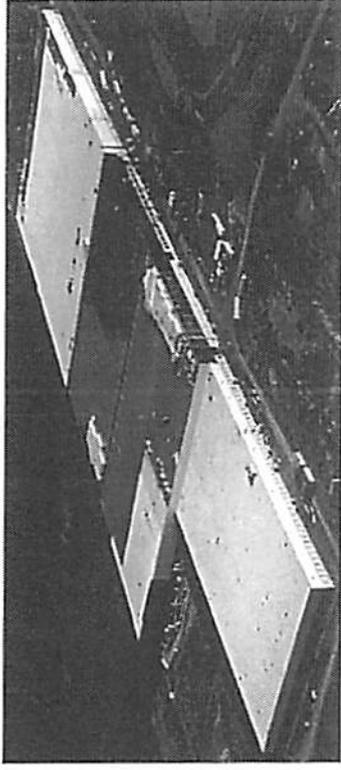
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## **Brief History**

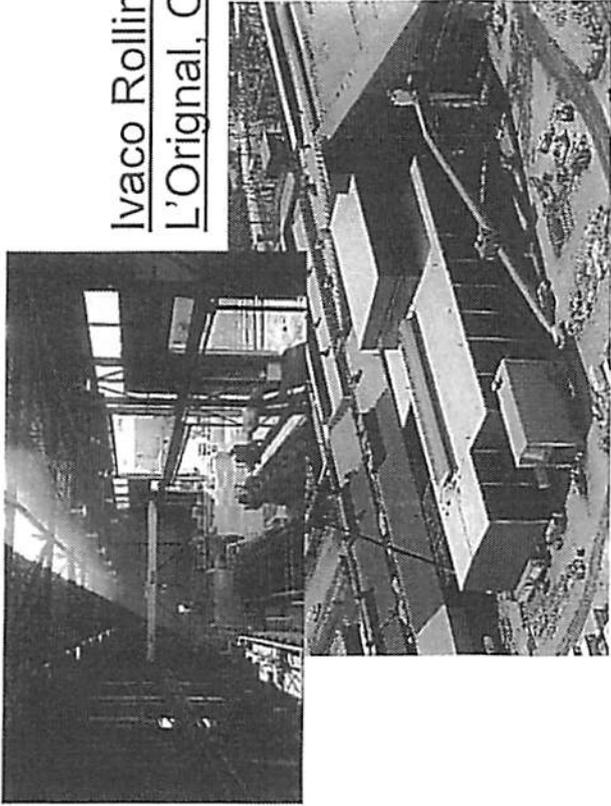
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  - Design, supply, and install was the core business model that allowed LWC to grow as a primary structural steel contractor for over 35 years in the Cornwall, Ottawa, and Kingston markets. LWC also provides manufactured products to Toronto, Western Canada and Northeastern United States.
  - In 2006 LWC moved from its 2 – 20,000 sq.ft. facilities to its current 173,000 sq.ft. facility.
  - In 2013 LWC began to provide sub-fabrication through the partnerships built by its reputation in the industry.
-

# Design build and Supply and Install Projects

Target Distribution Centre, Cornwall, ON



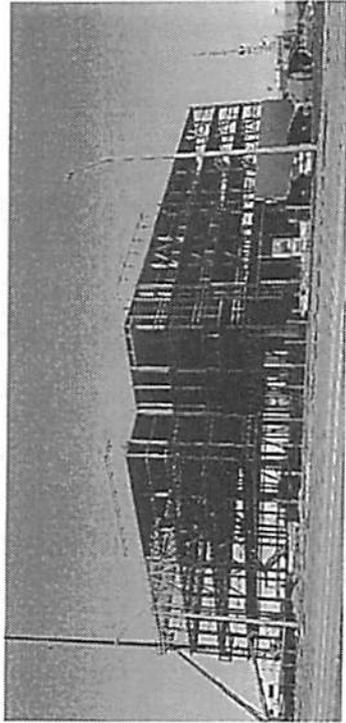
Ivaco Rolling Mills  
L'Orignal, ON



Canadian Aviation Museum  
Ottawa, ON

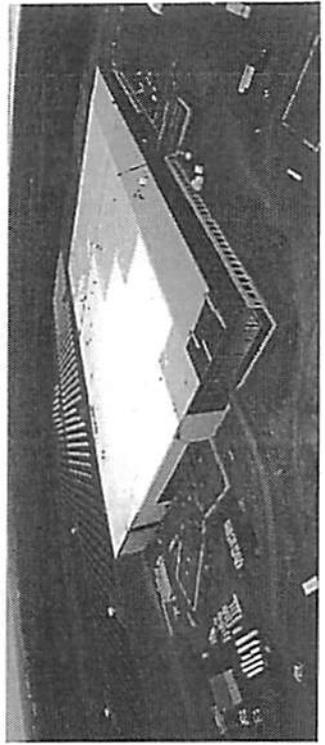


Dymon Self Storage  
Brampton, ON

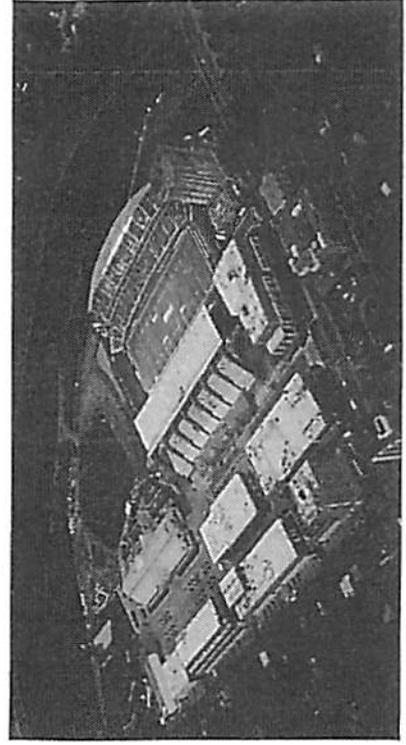


# Sub-fabrication projects

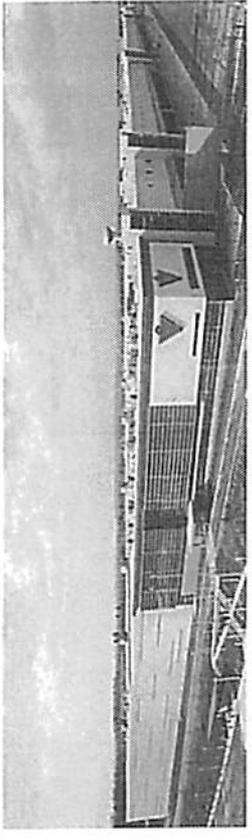
Giant Tiger Distribution Center  
Prescott, ON



Lansdowne Park  
Ottawa, ON



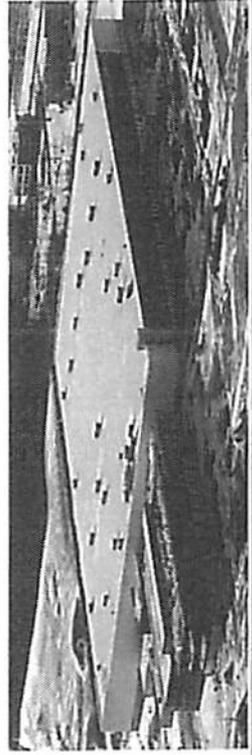
Canadian Tire Distribution Center  
Bolton, ON



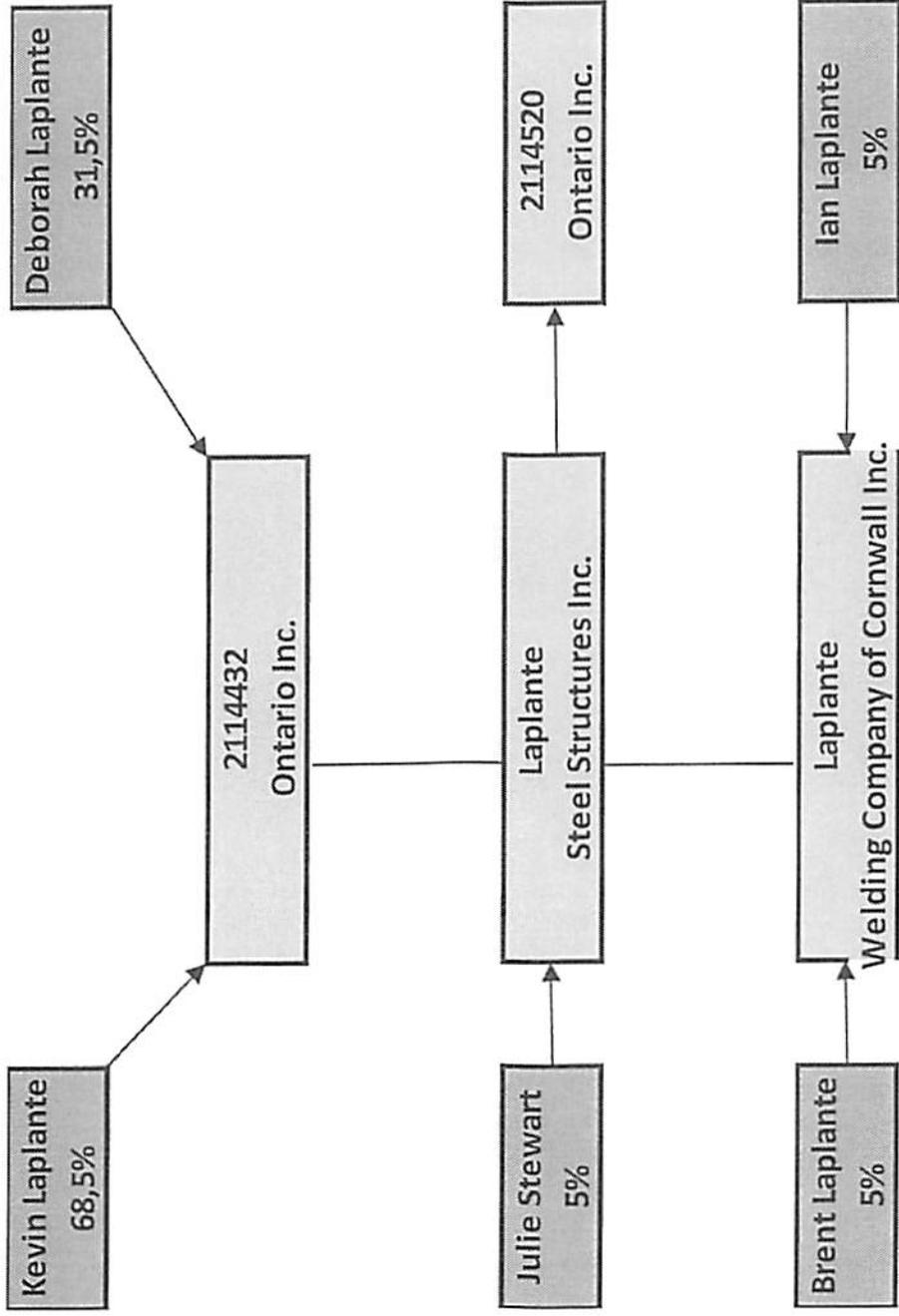
Tanger Outlets  
Ottawa, ON



Pharmacie Jean Coutu  
Montreal, QC



# Company Structure and Ownership Diagram



## Historical Results

# Income Statement

(Unaudited, in thousands)	2016	2017	June 2018 9 months
Sales	\$10 059	\$8 345	\$ 4 870
Cost of sales	8 172	6 386	7 590
Gross margin	1 887	1 959	(2 719)
Salaries and benefits	347	314	365
Amortization	276	257	198
Rent	243	233	175
Utilities	130	137	93
Insurance	113	124	95
Travel	142	107	36
Interest and bank charges	85	88	61
Office	48	75	21
Automotive	57	61	31
Telephone	56	52	43
Interest on long-term debt	49	49	27
Repairs and maintenance	74	45	70
Memberships and licences	15	24	5
Advertising and promotion	23	23	28
Professional fees	16	17	15
Software	-	-	43
Meals	-	-	8
Equipment lease	8	6	3
	1 680	1 614	1 457
Earnings from operations	206	345	(4 176)
Gain on disposal of assets	-	8	-
Earnings before income taxes	206	353	(4 176)
Provision for income taxes	16	(99)	-
(Recovery) current	25	139	-
Future	41	40	-
Net earnings	165	313	(4 176)

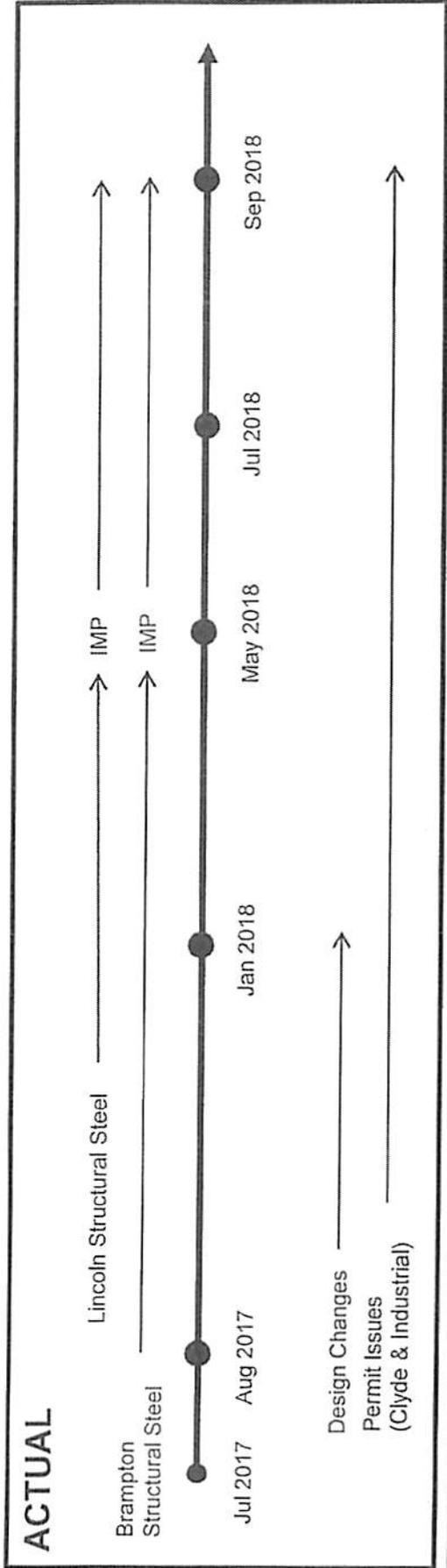
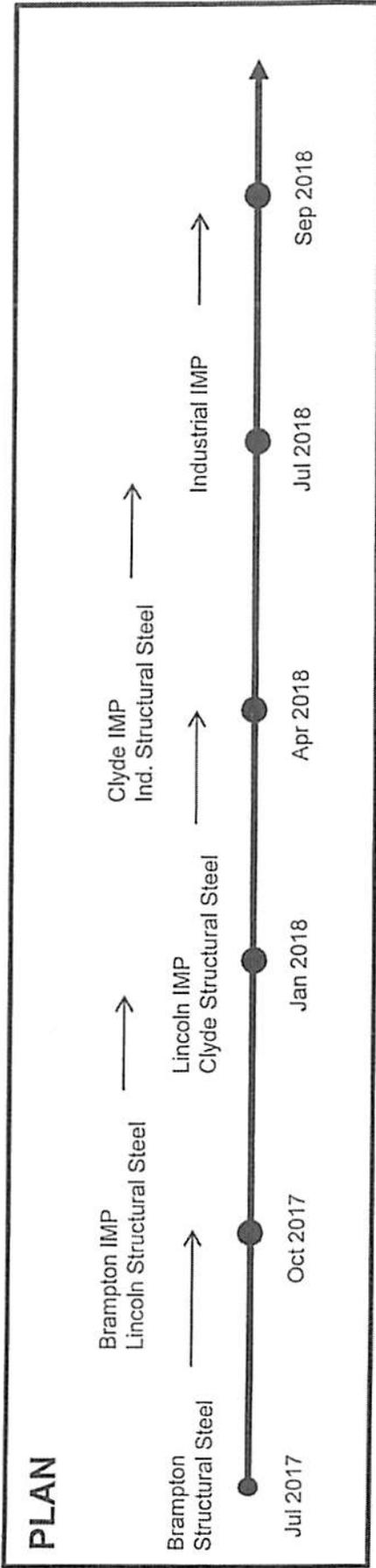
The company has experienced cost overruns.

The series of events that caused these overruns are illustrated in the next slide.

YTD F18 SG&A expenses are consistent with 2017 with the exception of salaries, which have increased year over year.

The cumulative loss of the last three years would be more than \$3.7M.

# Dymon Projects - EVENTS



# Balance Sheet

	2016	2017	June 30, 2018
<b>ASSETS</b>			
Accounts receivable	3 576	3 596	3 731
Inventory	2 566	1 523	943
Prepaid expenses	156	156	362
Income taxes recoverable	27	106	-
Due from related parties	445	689	444
<b>Total Current Assets</b>	<b>6 771</b>	<b>6 070</b>	<b>5 479</b>
Investments	178	182	191
Property, plant and equipment	2 649	2 469	2 562
Intangible assets	404	505	506
<b>Total non-current assets</b>	<b>3 231</b>	<b>3 157</b>	<b>3 260</b>
<b>TOTAL ASSETS</b>	<b>\$ 10 002</b>	<b>\$ 9 227</b>	<b>\$ 8 739</b>
<b>LIABILITIES</b>			
Bank indebtedness	1 925	1 887	1 954
Accounts payable and accrued liabilities	3 052	2 238	5 899
Future income tax liability	376	479	463
Current portion of obligation under capital lease	37	13	-
Demand loans	125	128	92
Current portion of long-term debt	205	180	-
<b>Total Current liabilities</b>	<b>5 722</b>	<b>4 926</b>	<b>8 409</b>
Obligation under capital lease	21	21	-
Long term debt	370	224	578
Due to parent company	566	363	235
Future income tax liability	356	392	392
<b>TOTAL LIABILITIES</b>	<b>\$ 7 013</b>	<b>\$ 5 925</b>	<b>\$ 9 614</b>
<b>EQUITY</b>			
Share capital	732	732	732
Retained earnings	2 258	2 570	(1 607)
<b>TOTAL EQUITY</b>	<b>2 989</b>	<b>3 302</b>	<b>(875)</b>
<b>LIABILITIES AND EQUITY</b>	<b>\$ 10 002</b>	<b>\$ 9 227</b>	<b>\$ 8 739</b>

The accounts receivable and Inventory are discussed in the next section "Estimated Borrowing Capacity".

The assets are mainly composed of production equipment.

The accounts payable are high due to the cost overruns.

There is not a lot of long term debts.

The recent loss wiped the equity of the Company.

## Estimated Borrowing Capacity

# Estimated Borrowing Base

	March	June
Accounts Receivable	3,612	3,646
Less : 90 days or more and doubtful accounts	<u>(1,325)</u>	<u>(3,559)</u>
Good Accounts Receivable	2,287	87
@ 75%	<u>1,715</u>	<u>65</u>
Inventory	890	942
Max 300KS	<u>300</u>	<u>300</u>
Value of asset as security purposes	2,015	365
Potential Priority Claims	<u>(45)</u>	<u>(270)</u>
Borrowing Capacity	<u>1,970</u>	<u>95</u>
Bank Advances	1,950	1,950
Surplus (Deficit)	<u>\$ 20</u>	<u>\$ (1,855)</u>

The accounts receivable of the major projects are frozen because of the claims by subcontractors and suppliers to the owner.

The Company believe that the value, net of the claims from suppliers to the clients, of the accounts receivable is \$1M.

The inventory is mainly raw material.

Priority claims are mainly composed of DAS (\$191K) and Worker Compensation Board (\$65k)

The estimated deficit of the Bank is before any other security the Bank may hold (equipment, building and other).  
At this time, the Company has not sought a third party appraisal on the equipment.

# Business Model

# Business Model

**X**

- Project
- Steel Production
- Change Order
- Specialize

**Sub-Fabrication**

- Capacity Control
- Shop Efficiencies
- General Skills

**X**

- Learning
- Change Order Impact
- Specialized Skills

# Business Models

## OLD - Project Based

### PROS

- Large \$ Contracts
- High Market Exposure

### CONS

- High Risk / Low Volume
- Specialty skilled labor required
- Exposure to steel prices
- Assume risk of complex design – engineering, detailing, installation
- High change order rate drives inefficiencies
- Steep learning curves in installation related to new designs

## NEW - Sub-Fabrication

### PROS

- Low Risk / High Volume
- General skilled labor required
- No exposure to steel prices
- Fabricator takes risk of design – only production risk is assumed
- Lower change order rate as design is generally stable
- No installation exposure
- Core business & competencies

### CONS

- Less predictable Backlog
- Market repositioning

## Conclusions and Action Plan

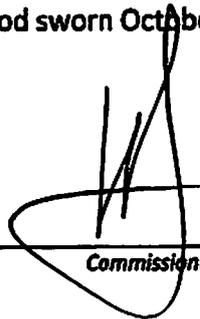
## Conclusions and Action Plan

- The Company suffered a major loss, mainly explained by the launch of two projects for one specific client (Dymon).
- The Company attributes the loss to cost overruns created by delays and learning curve relating to the complex design of the steel envelope.
- These cost overruns created a cash crunch that motivated the suppliers to claimed directly to the owner, freezing the accounts receivable.
- The Company is now unable to meet its obligation as become due and will have to take action to restructure

### Action Plan

- Complete a 13 week cash flow;
- Develop a restructuring plan;
- After carrying out the foregoing, seek the support of the Bank;
- Assist the Company in remapping and changing the business model and in the Company's restructuring;

This is Exhibit "F" referred to in the Affidavit of Wajahat  
Mahmood sworn October 16<sup>th</sup> 2018



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

Peter John Gordon, a Commissioner, etc.,  
City of Toronto, for the Royal Bank of Canada.  
Expires June 10, 2020.

---

**PRIVATE & CONFIDENTIAL**

**Laplante Welding of Cornwall Inc.**  
**Review of the Financial Situation and Restructuring Plan**  
As at August 14, 2018

Presented to  
**Mr. Kevin Laplante, President**

---

Pierre Marchand, M.Sc, CPA, CMA, CIRP  
Senior Vice-President  
T 1 514.906.4645  
E pierre.marchand@mnp.ca

**MNP**  
LTD

---

**PRIVATE & CONFIDENTIAL**

August 14, 2018

Laplante Welding of Cornwall Inc.  
200 St-Georges St. West  
Alexandria, ON  
K0C 1A0

**Attn: Mr. Kevin Laplante, President**

Dear Mr. Laplante,

**Re:** Review of Financial Position of Laplante Welding of Cornwall Inc. ("LWC" or the "Company") and Restructuring Plan

Pursuant to our engagement letter dated July 30, 2018, please find attached our report analyzing the financial position of the Company and restructuring plan. This review is made in the context of the Company's current indebtedness to its secured creditors with whom you have agreed to share this report.

More specifically our mandate includes the following services:

- Analysis of the Company's financial position;
- Analysis of the estimated position of the secured creditors;
- Assist the Company with the completion of a 13-week cash flow; and
- Recommendations for a course of action.

In connection with the engagement we have perused the information listed below:

- Company's external and internal statements;
- Company's internal financial working documents;

In the course of our review, we were in contact with management of the Company, specifically:

- Kevin Laplante, President
- Andrew Laplante; Vice-President Sales and Business Development
- Art Zentner, BGM Services, consultant
- Julie Stewart, Controller

The reader is cautioned to refer to the General Restrictions and Disclaimers advisory on page 4 of this report. The reader is placed on notice that the attached report has been prepared solely for the Company and its secured creditors.

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Please contact the undersigned for any questions.

Your very truly,

**MNP LTD.**

Pierre Marchand  
Senior Vice-President

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## General Restrictions and Limitations

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We make no representations regarding the sufficiency of the procedures we were requested to perform. In completing this report, we relied on representations of Management, Company-prepared assumptions, unaudited financial statements and other information. We did not carry out an audit of the Company's financial statements or of the information Management provided to us, nor did we verify any of the information contained in this report and, accordingly, we express no opinion thereon.

Our comments and conclusions are based on information that has been made available to us. We reserve the right to review all calculations and conclusions included or referred to in this report and, if we consider it necessary, to revise our calculations in light of information existing at the date of this report.

We do not provide any assurance as to any matters relating to the Company's ability to pay its debts due to its lenders.

The forecasts included in this report, if any, were prepared by the Company. Although we have reviewed the assumptions underlying the forecasts for reasonableness, financial forecasts, by their nature, are dependent upon future events, which are difficult to verify. Actual results will vary from the information presented and the variations may be material.

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**All the figures and tables of this report are unaudited and in thousand of dollars, unless otherwise specified.**

## **Presentation of the Company**

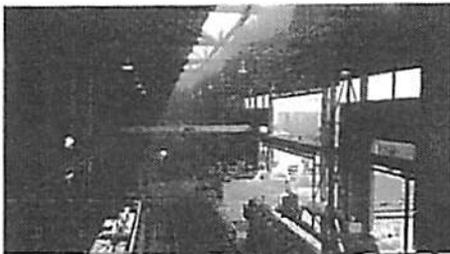
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## Brief History

- LWC is a family owned and operated business established in Cornwall, ON.
- Design, supply, and install was the core business model that allowed LWC to grow as a primary structural steel contractor for over 35 years in the Cornwall, Ottawa, and Kingston markets. LWC also provides manufactured products to Toronto, Western Canada and Northeastern United States.
- In 2006 LWC moved from its 2 – 20,000 sq.ft. facilities to its current 173,000 sq.ft. facility.
- In 2013 LWC began to provide sub-fabrication through the partnerships built by its reputation in the industry.

# Design build and Supply and Install Projects

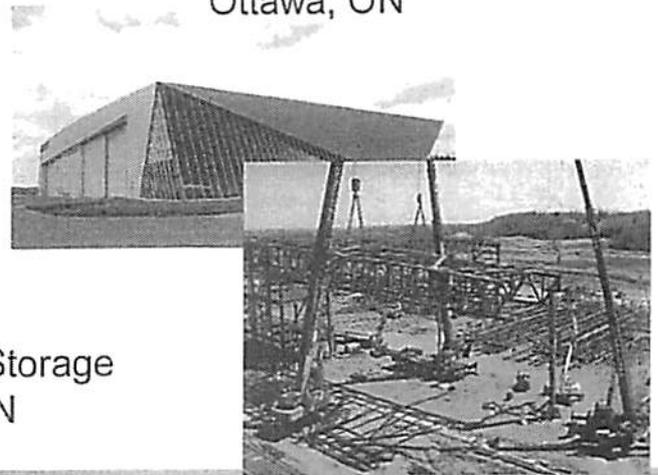
Target Distribution Centre, Cornwall, ON



Ivaco Rolling Mills  
L'Orignal, ON



Canadian Aviation Museum  
Ottawa, ON



Dymon Self Storage  
Brampton, ON

## Sub-fabrication projects

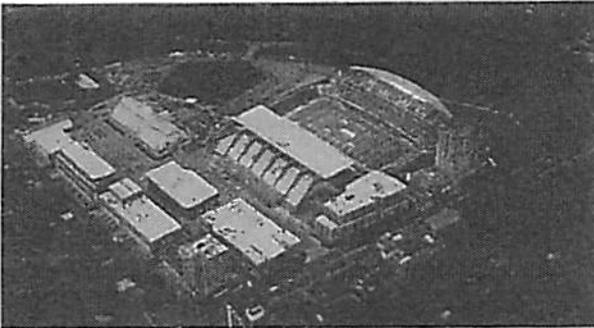
Giant Tiger Distribution Center  
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Canadian Tire Distribution Center  
Bolton, ON

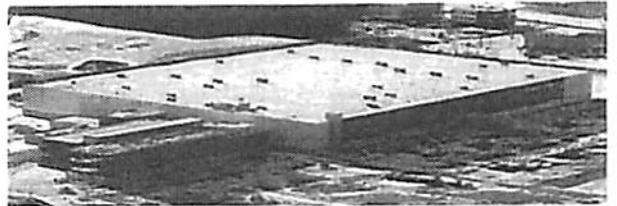


Lansdowne Park  
Ottawa, ON

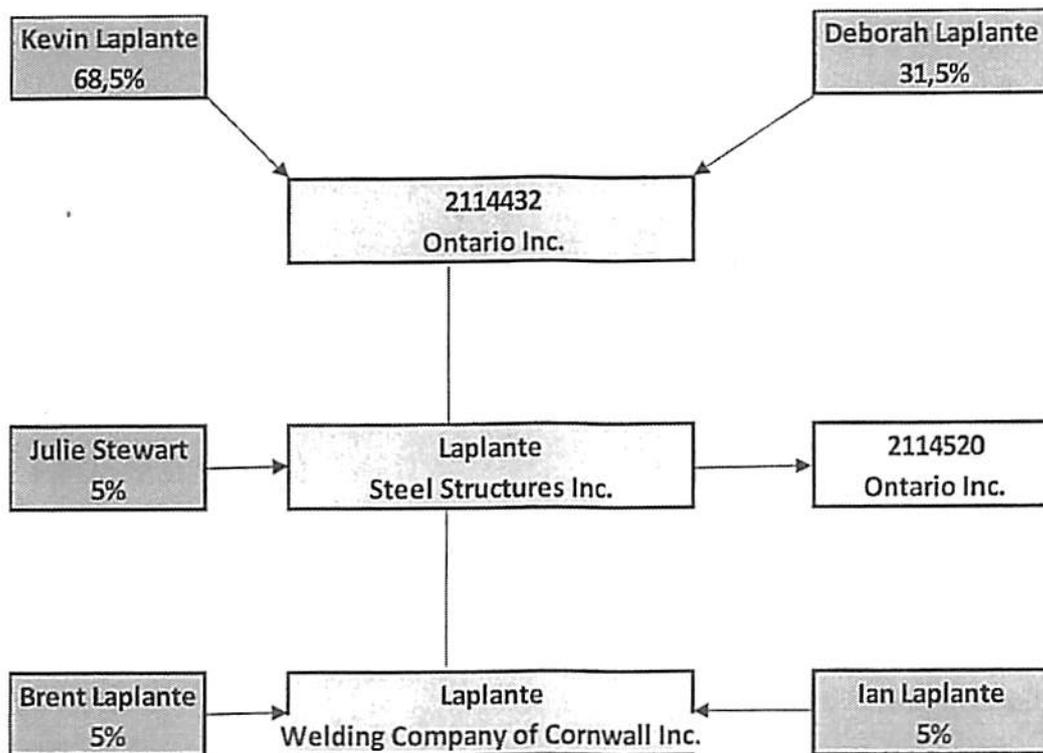


Tanger  
Outlets  
Ottawa, ON

Pharmacie Jean Coutu  
Montreal, QC



## Company Structure and Ownership Diagram



## Historical Results

# Income Statement

(Unaudited, in thousands)

	2016	2017	June 2018 9 months
<b>Sales</b>	<b>\$10 059</b>	<b>\$8 345</b>	<b>\$ 4 870</b>
Cost of sales	8 172	6 386	7 590
<b>Gross margin</b>	<b>1 887</b>	<b>1 959</b>	<b>(2 719)</b>
Salaries and benefits	347	314	365
Amortization	276	257	198
Rent	243	233	175
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Professional fees	16	17	15
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Meals	-	-	8
Equipment lease	8	6	3
	<u>1 680</u>	<u>1 614</u>	<u>1 457</u>
<b>Earnings from operations</b>	<b>206</b>	<b>345</b>	<b>(4 176)</b>
Gain on disposal of assets	-	8	-
<b>Earnings before income taxes</b>	<b>206</b>	<b>353</b>	<b>(4 176)</b>
<b>Provision for income taxes</b>			
(Recovery) current	16	(99)	-
Future	25	139	-
	<u>41</u>	<u>40</u>	<u>-</u>
<b>Net earnings</b>	<b>165</b>	<b>313</b>	<b>(4 176)</b>

The company has experienced cost overruns.

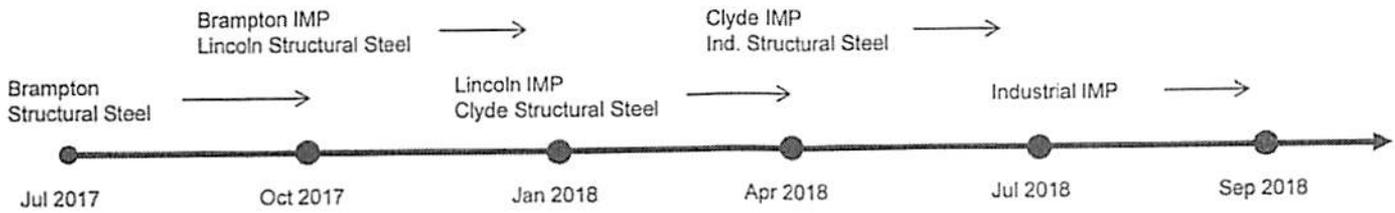
The series of events that caused these overruns are illustrated in the next slide.

YTD F18 SG&A expenses are consistent with 2017 with the exception of salaries, which have increased year over year.

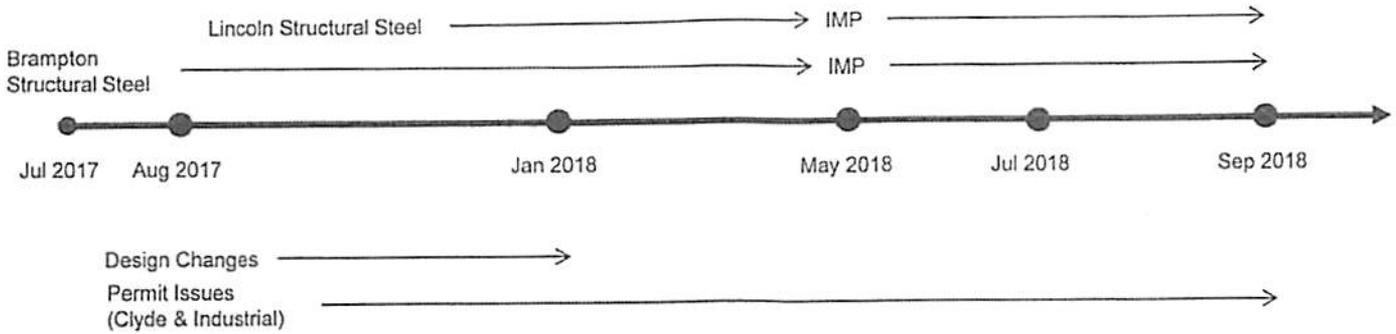
The cumulative loss of the last three years is more than \$3.7M.

# Dymon Projects - EVENTS

## PLAN



## ACTUAL



## Balance Sheet

	2016	2017	June 30, 2018
<b>ASSETS</b>			
Accounts receivable	3 576	3 596	3 731
Inventory	2 566	1 523	943
Prepaid expenses	156	156	362
Income taxes recoverable	27	106	-
Due from related parties	445	689	444
<b>Total Current Assets</b>	<b>6 771</b>	<b>6 070</b>	<b>5 479</b>
Investments	178	182	191
Property, plant and equipment	2 649	2 469	2 562
Intangible assets	404	506	506
<b>Total non-current assets</b>	<b>3 231</b>	<b>3 157</b>	<b>3 260</b>
<b>TOTAL ASSETS</b>	<b>\$ 10 002</b>	<b>\$ 9 227</b>	<b>\$ 8 739</b>
<b>LIABILITIES</b>			
Bank indebtedness	1 925	1 887	1 954
Accounts payable and accrued liabilities	3 052	2 238	5 899
Future income tax liability	376	479	463
Current portion of obligation under capital lease	37	13	-
Demand loans	125	128	92
Current portion of long-term debt	205	180	-
<b>Total Current liabilities</b>	<b>5 722</b>	<b>4 926</b>	<b>8 409</b>
Obligation under capital lease		21	-
Long term debt	370	224	578
Due to parent company	566	363	235
Future income tax liability	356	392	392
<b>TOTAL LIABILITIES</b>	<b>\$ 7 013</b>	<b>\$ 5 925</b>	<b>\$ 9 614</b>
<b>EQUITY</b>			
Share capital	732	732	732
Retained earnings	2 258	2 570	(1 607)
<b>TOTAL EQUITY</b>	<b>2 989</b>	<b>3 302</b>	<b>(875)</b>
<b>LIABILITIES AND EQUITY</b>	<b>\$ 10 002</b>	<b>\$ 9 227</b>	<b>\$ 8 739</b>

The accounts receivable and Inventory are discussed in the next section "Estimated Borrowing Capacity".

The Property Plant & Equipment assets are mainly composed of production equipment.

The accounts payable are high due to the cost overruns.

There is not a lot of long term debt.

The recent losses wiped the equity of the Company.

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## Estimated Borrowing Capacity

## Estimated Borrowing Base\*

	March	June
Accounts Receivable	3,612	3,646
Less : 90 days or more and doubtful accounts	<u>(1,325)</u>	<u>(3,559)</u>
Good Accounts Receivable	2,287	87
@ 75%	<u>1,715</u>	<u>65</u>
Inventory	890	942
Max 300KS	<u>300</u>	<u>300</u>
Value of asset as security purposes	2,015	365
Potential Priority Claims	<u>(45)</u>	<u>(270)</u>
Borrowing Capacity	1,970	95
Bank Advances	<u>1,950</u>	<u>1,950</u>
Surplus (Deficit)	<u>\$ 20</u>	<u>\$ (1,855)</u>

The accounts receivable of the major projects are frozen because of the claims against the project owners by subcontractors and suppliers.

The Company believes that the value of accounts receivable, net of claims from suppliers to the project owners, is about \$1M.

The inventory is mainly raw material.

Priority claims are mainly composed of DAS (\$191K) and Worker Compensation Board (\$65k)

\*Preliminary, as at August 1, 2018

The estimated deficit of the Bank is before any other security the Bank may hold (equipment, building and other).

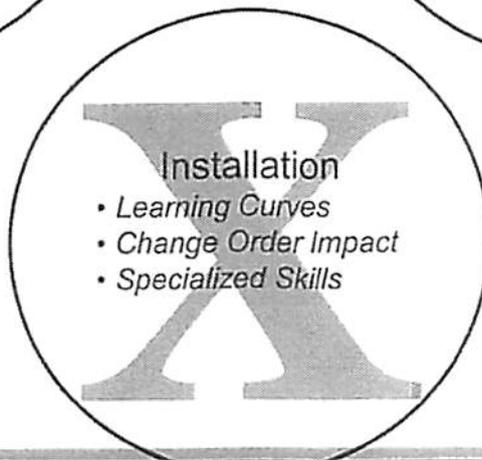
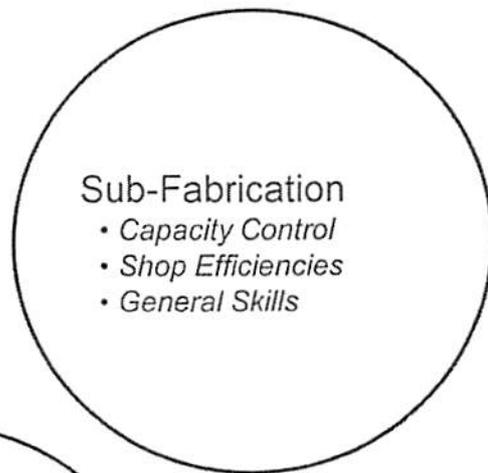
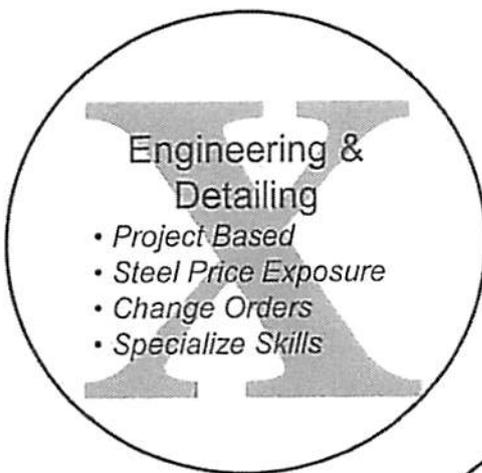
A third party appraisal of the equipment is being performed.

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## Business Model

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## Business Model



## Business Models

### OLD - Project Based

#### PROS

- Large \$ Contracts
- High Market Exposure

#### CONS

- High Risk / Low Volume
- Specialty skilled labor required
- Exposure to steel prices
- Assume risk of complex design – engineering, detailing, installation
- High change order rate drives inefficiencies
- Steep learning curves in installation related to new designs

### NEW - Sub-Fabrication

#### PROS

- Low Risk / High Volume
- General skilled labor required
- No exposure to steel prices
- Fabricator takes risk of design – only production risk is assumed
- Lower change order rate as design is generally stable
- No installation exposure
- Core business & competencies

#### CONS

- Less predictable Backlog
- Market repositioning

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## Business model – Financial highlights

- The main assumptions are the following:
  - LW customers will provide structural steel drawings ready for fabrication;
  - LW customers will provide structural steel for fabrication;
  - LW will fabricate on spec with 100% net 30 days payment terms (FOB LW factory)
  - LW has estimated an actual maximum capacity of 150 tons per week
  - The estimated annual revenue at 80% of maximum capacity is \$3,3M
    - At that operating level, the estimated break-even point is estimated at \$2,3M
- The forecasted ramp-up of sales is 2 weeks until maximum capacity is achieved and maintained. As this is LW's core business, there is no learning curve for employees (all are either on-site or on a recall list) or machine/tooling setup period/costs.
- LW has validated its new business model with its largest customer The Canam Group. This customer is considering providing LW with a 500 ton contract, representing revenue of \$412,500.
- The transition to the new business model is coordinated by Mr Art Zentner, from BGM Services Inc.

## **Restructuring Plan**

## Restructuring Plan

- The main aspects of the restructuring plan are as follows:
  - Reduce the Bank's exposure
  - Complete the ongoing projects
  - Implement the new business model
  - Monitor and maintain the profitability of the new business model

- In order to secure the Bank's support, the Company is prepared to give the Bank a second ranking security on the land and building owned by the holding Company (2114520 Canada Inc.).

The estimated equity in the land and building is \$1M

LAPLANTE WELDING OF CORNWALL INC.  
 Estimated Equity in Land and Building  
 Located at 200 St. George Street West, Alexandria, Ontario  
 As at June 30, 2018  
 (Unaudited)

	Amount
Appraised market value*	\$ 1 900 000
ADD: Roof repairs	<u>269 859</u>
Estimated market value	2 169 859
LESS: Amount owing to BDC	<u>1 157 988</u>
<b>Estimated equity in land and building</b>	<b><u>\$ 1 011 871</u></b>

\* as at August 24, 2012

## Reduce RBC's Exposure

Action	Estimated value	Time line
Sale of excess equipment	\$750K	1 - 3 months
Collection of Dymon accounts	\$450K	3 - 6 months
New financing with asset based lender (if necessary)	\$1,000K	1- 6 months

# Sale of Excess Equipment

Laplante Welding of Cornwall Inc.  
 List of Equipment for sale  
 As at August 8, 2018  
 (Unaudited, in Can \$)

Resp	Equipment	Estimated Low	Estimated High	Specific Debt	Balance Low	Balance High
Charlie	90 ton Link belt crane *	585 000	595 000	56 617	528 383	538 383
Charlie	75 ton Link belt crane	210 000	248 260	-	210 000	248 260
Brent	Plasma cutting table	16 000	19 500	-	16 000	19 500
Brent	JLG 80'Manlift	35 000	39 826	-	35 000	39 826
Brent	JLG 80'Manlift	35 000	39 826	-	35 000	39 826
Charlie	King ranch truck	1 400	1 950	-	1 400	1 950
Charlie	Uplander van	650	800	-	650	800
Brent	Freightliner transport	4 500	5 999	-	4 500	5 999
Brent	Omega forklift	-	-	-	-	-
Brent	Ingersol forklift	-	-	-	-	-
Brent	JCB forklift	38 000	45 000	-	38 000	45 000
		<u>\$ 925 550</u>	<u>\$ 996 161</u>	<u>\$ 56 617</u>	<u>\$ 868 933</u>	<u>\$ 939 544</u>

In the new business model, the crane will not be required.

The net proceed of approximately \$750K will be applied in permanent reduction of the Bank Exposure

The Company needs to use the proceed of approximately \$150K from the sale of small equipment to finance the transitional period to the new business model

# Complete the on-going projects

Laplante Welding of Cornwall Inc.  
 List of ongoing projects  
 As at August 8, 2018  
 (Unaudited, in Can \$)

Number	Name	Cash flow to complete	As at June 30, 2018			Net value
			Account Receivable	Holdback	Claims/Items	
<b>Projects without claims/items</b>						
3701	SoBa Condominium	43 310	80 486	42 471	-	166 267
3705	1637 Bank St	10 587	90 084	17 750	-	118 421
3712	RioCan City Park	(6 526)	56 795	26 974	-	77 243
3722	Highbury Block A	(554)	-	21 171	-	20 617
		<u>46 817</u>	<u>227 365</u>	<u>108 366</u>	<u>-</u>	<u>382 548</u>
<b>Dymon Projects</b>						
3700	Queensway Self Storage	(30 400)	151 766	51 915	(150 000)	23 281
3714	Brampton Self Storage	(10 661)	956 298	321 512	(1 080 000)	187 149
3715	Lincoln Fields Self Storage	(859)	960 626	302 268	(983 148)	278 888
		<u>(41 920)</u>	<u>2 068 690</u>	<u>675 695</u>	<u>(2 213 148)</u>	<u>489 317</u>
		<u>4 897 \$</u>	<u>2 296 054 \$</u>	<u>784 061 \$</u>	<u>(2 213 148) \$</u>	<u>871 865 \$</u>

The completion of the ongoing project will support the transition to the new business model

The Dymon projects (initial value of \$4M) are almost completed.

The Company must complete these projects and settle with the owner to collect the net amount of their claims.

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## Forecasted Cash flow

# Forecasted Cash Flow

## Forecasted Weekly Cash Flow

For the period ending October 26, 2018

(unaudited - in \$CAN)

	17-Aug-18	24-Aug-18	31-Aug-18	7-Sep-18	14-Sep-18	21-Sep-18	28-Sep-18	5-Oct-18	12-Oct-18	19-Oct-18	26-Oct-18	Total
<b>RECEIPTS</b>												
Initial accounts receivable	39,906	83,773	4,534	32,465	124,300	29,677	21,171	-	-	-	16,886	352,712
New accounts receivable	27,125	26,500	28,000	25,000	25,000	87,394	107,000	128,814	153,050	138,592	182,000	928,474
Other	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>67,031</b>	<b>110,273</b>	<b>32,534</b>	<b>57,465</b>	<b>149,300</b>	<b>117,071</b>	<b>128,171</b>	<b>128,814</b>	<b>153,050</b>	<b>138,592</b>	<b>198,886</b>	<b>1,281,186</b>
<b>DISBURSMENTS</b>												
Operation	33,124	42,085	43,252	50,362	49,708	52,306	34,922	37,779	35,317	33,894	38,787	451,535
Fixed charges	19,288	16,788	16,788	23,480	11,788	16,788	11,788	23,480	11,788	16,788	11,788	180,555
Priority claims	2,000	10,140	2,000	34,056	2,000	50,478	2,000	41,375	2,000	101,037	2,000	249,084
Financial charges	-	-	2,427	1,373	4,686	-	163	3,637	4,686	-	-	16,973
Other	112,413	45,000	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	269,913
<b>Total disbursements</b>	<b>166,825</b>	<b>114,013</b>	<b>76,968</b>	<b>121,770</b>	<b>80,682</b>	<b>132,072</b>	<b>61,373</b>	<b>118,770</b>	<b>66,291</b>	<b>164,219</b>	<b>65,076</b>	<b>1,168,060</b>
Cash flow	(99,795)	(3,740)	(44,434)	(64,305)	68,618	(15,001)	66,798	10,044	86,759	(25,628)	133,810	113,126
Cash (indebtedness), Beg.	(1,837,587)	(1,937,382)	(1,941,122)	(1,585,555)	(2,049,861)	(1,981,243)	(1,996,244)	(1,929,446)	(1,919,403)	(1,832,644)	(1,858,272)	(1,837,587)
<b>Cash (indebtedness), End.</b>	<b>(1,937,382)</b>	<b>(1,941,122)</b>	<b>(1,985,555)</b>	<b>(2,049,861)</b>	<b>(1,981,243)</b>	<b>(1,996,244)</b>	<b>(1,929,446)</b>	<b>(1,919,403)</b>	<b>(1,832,644)</b>	<b>(1,858,272)</b>	<b>(1,724,461)</b>	<b>(1,724,461)</b>
<b>Estimated situation of the short term lender</b>												
Estimated borrowing capacity	660,730	702,243	754,342	821,070	921,874	1,045,211	1,140,198	1,159,031	1,181,531	1,177,466	1,162,054	1,162,054
Potential Priority Charges	(331,421)	(348,737)	(362,463)	(384,189)	(403,581)	(402,264)	(413,176)	(435,589)	(469,354)	(379,905)	(413,740)	(413,740)
<b>Total borrowing base</b>	<b>329,310</b>	<b>353,506</b>	<b>391,879</b>	<b>436,881</b>	<b>518,292</b>	<b>642,947</b>	<b>727,022</b>	<b>723,442</b>	<b>712,177</b>	<b>797,561</b>	<b>748,314</b>	<b>748,314</b>
<b>Total indebtedness</b>	<b>(1,937,382)</b>	<b>(1,941,122)</b>	<b>(1,985,555)</b>	<b>(2,049,861)</b>	<b>(1,981,243)</b>	<b>(1,996,244)</b>	<b>(1,929,446)</b>	<b>(1,919,403)</b>	<b>(1,832,644)</b>	<b>(1,858,272)</b>	<b>(1,724,461)</b>	<b>(1,724,461)</b>
<b>Surplus (deficit)</b>	<b>(1,608,072)</b>	<b>(1,587,616)</b>	<b>(1,593,676)</b>	<b>(1,612,980)</b>	<b>(1,462,951)</b>	<b>(1,353,298)</b>	<b>(1,202,424)</b>	<b>(1,195,961)</b>	<b>(1,120,467)</b>	<b>(1,060,710)</b>	<b>(976,148)</b>	<b>(976,148)</b>

The line of credit is forecasted to stay under \$1.950M, except for a short period of time. The sale of excess equipment (not included in the forecast) will permit the Company to respect that limit.

The line of credit will then be reduced to \$1,724M as at October 26, 2018.

The estimated position of the Bank should improve during the period.

The sale of excess equipment and collection of the Dymon projects net accounts receivable are not included in the forecast and will serve to further reduce the exposure of the Bank.

# Accounts Receivable

Laplante Welding of Cornwall Inc.  
 Accounts Receivable Summary as of June 30, 2018  
 Expected Collections as at August 14, 2018  
 (Unaudited, in CAN \$)

	Accounts Receivable	Holdback	Total	Expected Collections*	Remaining Balance
Carling Richmond Storage LP	960,626	302,268	1,262,895	-	1,262,895
Leeswood Construction	956,298	94,031	1,050,329	-	1,050,329
1460 The Queensway Storage LP	23,624	289,643	313,267	-	313,267
Airport Nevets Storage LP	-	227,481	227,481	-	227,481
Leeswood Construction	183,586	18,052	201,637	-	201,637
Bayview Kanata Holdings LP	152,621	-	152,621	150,497	2,124
SoBa Ottawa Inc.	80,486	42,471	122,957	57,576	65,381
2434984 Ontario Inc.	90,084	17,750	107,834	-	107,834
Doran Contractors Ltd.	56,795	26,974	83,769	39,906	43,863
Traugott Construction Ltd	82,852	-	82,852	83,562	(711)
Huntington Construction & Dev.	-	21,171	21,171	21,171	-
Laurin General Contractor	12,252	-	12,252	-	12,252
Dymon Capital Corporation	4,158	-	4,158	-	4,158
KP Building Products	1,356	-	1,356	-	1,356
Canam Building & Structure Inc	1,157	-	1,157	-	1,157
	<u>\$ 2,605,894</u>	<u>\$ 1,039,842</u>	<u>\$ 3,645,736</u>	<u>\$ 352,712</u>	<u>\$ 3,293,024</u>

\*Expected collections over the period from August 13, 2018 to October 26, 2018.

The Dymon projects are discussed in previous slides.

There is a value of \$667K of accounts receivable that are not included in the forecasted cash receipts.

The Company believes that it will be able to collect it, however, the timing being uncertain, it is not included in the forecasted cash flow.

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## **Conclusions and Restructuring Plan**

## Conclusions and Restructuring Plan

- The Company suffered a major loss, mainly explained by the launch of two projects for one specific client (Dymon).
- The Company attributes the loss to cost overruns created by delays and learning curve related to the complex design of the steel envelope.
- The cost overruns created a cash shortfall that caused the suppliers to make claims directly against the project owners, thus freezing the accounts receivable.
- The Company is now unable to meet its obligations as they become due and will have to restructure its financials and its business model under the BIA protection.

### Restructuring Plan

- The Company will reduce the Bank's exposure by selling excess assets and collecting accounts receivable related to completed projects.
- The Company will transition to the new business model and generate clean accounts receivable.
- Once the transition is completed, the borrowing capacity of the Company will be between \$750K and \$1M. If required by the Bank, the Company will be in a position to find new or supplemental financing.