

Court File No. CV-22-00691955-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

and

**1731861 ONTARIO INC. operating as PLASTICAP, PETER J. GOSSMANN
and THOMAS FRANK LATO**

Defendants

MOTION RECORD - VOLUME 1 OF 3

(Motion for an Order appointing a Receiver

Hearing Date: January 19, 2023 at 12:00 p.m., Via Video Conference)

December 21, 2022

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto ON M5H 4G2

Rachel Moses (LSO# 42081V)
rmoses@mindengross.com
Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for Royal Bank of Canada

TO:
SERVICE LIST

SERVICE LIST

(re: Motion to appoint Receiver, returnable on January 19, 2023)

NO.	NAME	METHOD OF SERVICE
1.	1731861 ONTARIO INC. operating as PLASTICAP 8600 Keele Street, Unit 11A Concord ON L4K 2N2	BY E-MAIL TO: tlato@plasticap.com pgossmann@plasticap.com
2.	PETER J. GOSSMANN 5 Oakington Place Mississauga ON L5N 3V9	BY E-MAIL TO: pgossmann@plasticap.com
3.	THOMAS FRANK LATO 6021 19 th Avenue Markham ON L3P 3J3	BY E-MAIL TO: tlato@plasticap.com
4.	MSI SPERGEL INC. 505 Consumers Road, Suite 200, Toronto ON M2J 4V8 Mukul Manchanda Tel: (416) 498-4314 E-Mail: mmanchanda@spergel.ca Proposed Receiver	BY E-MAIL TO: mmanchanda@spergel.ca
5.	HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO as represented by Ministry of Finance Legal Services Branch 77 Bay Street, 11th Floor Toronto ON M5G 2C8 Attention: Anthony R. Golding Senior Counsel, Ministry of Finance Tel: (416) 938-5069 E-Mail: anthony.golding@ontario.ca	BY E-MAIL TO: anthony.golding@ontario.ca
6.	CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto ON M5X 1K6 Attention: Diane Winters Tel: (416) 952-8563 E-Mail: diane.winters@justice.gc.ca	BY E-MAIL TO: diane.winters@justice.gc.ca

NO.	NAME	METHOD OF SERVICE
7.	INSOLVENCY UNIT Province of Ontario E-Mail: insolvency.unit@ontario.ca	BY E-MAIL TO: insolvency.unit@ontario.ca

INDEX

TAB	DOCUMENT	PAGE NO.
1	Notice of Motion dated December 21, 2022, returnable on January 19, 2023	1 – 6
2	Affidavit of Jan Oros sworn December 21, 2022 and the exhibits attached thereto	7 – 23
A	Exhibit “A” – Copy of “Who We Are” from Plasticap’s website	24 – 25
B	Exhibit “B” – Corporation Profile Report for 1731861 Ontario Inc.	26 – 33
C	Exhibit “C” – Credit Agreement dated December 31, 2020; ; Credit Agreement dated February 9, 2022; Visa Agreement signed April 17, 2018	34 – 76
D	Exhibit “D” – General Security Agreement dated July 26, 2020	76 – 87
E	Exhibit “E” – Guarantee and Postponement of Claim executed by Peter J. Gossmann; Guarantee and Postponement of Claim executed by Thomas F. Lato; Personal Statement of Affairs of Peter Gossmann; Personal Statement of Affairs of Thomas Lato	88 – 100
F	Exhibit “F” – Certified PPSA Search for 1731861 Ontario Inc.	101 – 107
G	Exhibit “G” – Email communications between Senior Current Account Manager, Avi Chutani, and Plasticap’s accountant, Mr. Gossmann and Mr. Lato sent on August 17 and 18, 2022 and September 12 and 20, 2022	108 – 110
H	Exhibit “H” – First Default Letter dated October 3, 2022	111 – 113
I	Exhibit “I” – Email communications between Senior Current Account Manager, Avi Chutani and Plasticap’s account, Mr. Gossmann and Mr. Lato sent on October 16 and 19, 2022 and November 1, 2022	114 – 117
J	Exhibit “J” – Second Default Letter dated November 8, 2022	118 – 119
K	Exhibit “K” – Transition Letter dated November 14, 2022	120 – 122
L	Exhibit “L” – Email exchange between Jan Oros (RBC) and Peter Gossmann	123 - 134

TAB	DOCUMENT	PAGE NO.
M	Exhibit “M” – Email from Navin Bhagtani with attachments, sent on November 25, 2022	135 – 149
N	Exhibit “N” – Demand Letters dated November 28, 2022	150 – 158
O	Exhibit “O” – Corporate Profile Report for 1646813 Ontario Limited; Parcel Register for 177 Crosby Avenue, Richmond Hill	159 – 174
P	Exhibit “P” – Copy of an article “Polycap Establishing First U.S. Manufacturing Facility In Virginia” dated April 11, 2019	175 – 178
Q	Exhibit “Q” – Copies of the report and certificate from the Virginia State Corporation Commission in connection with Polycap LLC filings together with copies of the filings	179 – 200
R	Exhibit “R” – UCC Financing Statement registered by RBC on December 1, 2022	201 – 203
S	Exhibit “S” – Information Emails (partially redacted)	204 – 344
T	Exhibit “T” – Consent of msi Spergel inc. to act as Receiver	345 - 347
3	Statement of Claim issued on December 20, 2022	348 – 367
4	Draft Order (appointing Receiver)	368 - 383

Court File No. CV-22-00691955-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

and

**1731861 ONTARIO INC. operating as PLASTICAP, PETER J. GOSSMANN and
THOMAS FRANK LATO**

Defendants

NOTICE OF MOTION

(Motion for an Order appointing a Receiver

Hearing Date: January 19, 2023 at 12:00 p.m., via Video Conference)

Royal Bank of Canada ("**RBC**"), will make a motion to a Judge presiding over the Commercial List on Thursday, January 19, 2023, commencing at 12:00 p.m., or as soon after that time as the motion can be heard by way of Zoom video conference as a result of the COVID-19 pandemic.

PROPOSED METHOD OF HEARING: The Motion is to be heard (*choose appropriate option*)

In writing under subrule 37.12.1(1) because it is without notice;

In writing as an opposed motion under subrule 37.12.1(4);

In person;

By telephone conference;

By video conference.

at the following location: 330 University Avenue, Toronto, Ontario.

THE MOTION IS FOR:

1. An Order:

- (a) abridging the time for service and filing, and dispensing with further service of this notice of motion and motion record such that the motion is properly returnable on the date that it is heard;
- (b) appointing msi Spergel inc. as receiver (in such capacities, the “**Receiver**”), without security over all of the assets, undertakings and property of the defendant, 1731861 Ontario Inc. operating as Plasticap (“**Plasticap**”), and all other property, assets, and undertakings related thereto; and
- (c) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE

1. Plasticap is directly indebted to RBC in connection with an Operating Facility and a Visa Facility made available by RBC to Plasticap pursuant to a credit facilities letter agreement dated December 31, 2020 and amended by way of amending letter agreement dated February 9, 2022 and together with Terms and Conditions and, Schedules are collectively the “**Credit Agreement**”.

2. The Operating Facility and Visa Facility are repayable on demand.
3. Plasticap failed to comply with its reporting obligations under the Credit Agreement.
4. A written notice of default was issued by RBC to Plasticap on October 3, 2022 (“**First Default Letter**”). The First Default Letter required Plasticap to remedy the reporting default by October 15, 2022. RBC reserved all rights arising out of the default and specifically reserved the right to demand payment.
5. Plasticap did not remedy the reporting default by October 15, 2022 as required under the First Default Letter.
6. On November 8, 2022, RBC issued another written notice of default to Plasticap (the “**Second Default Letter**”). The Second Default Letter indicated that Plasticap failed to i) provide to RBC the Monthly Borrowing Limit Certificate for the months of July 31, 2022, August 31, 2022 and September 30, 2022 and ii) to provide to RBC the Monthly Reporting of accounts receivable, accounts payable and inventory for the months of July 31, 2022, August 31, 2022 and September 30, 2022. The Second Default Letter required Plasticap to cure the default by November 15, 2022. RBC continued to reserve all rights arising out of the default and specifically reserved the right to demand payment.
7. Plasticap did not remedy the reporting default by November 15, 2022.
8. The accounts of Plasticap were transferred to RBC’s Special Loans & Advisory Services Group.

9. On November 28, 2022, RBC made formal written demand on Plasticap in connection with the Operating Facility and Visa Facility advanced under the Credit Agreement, as applicable, and gave notice of its intention to enforce its security pursuant to section 244(1) of the BIA.

10. The demands have expired and the indebtedness remains outstanding.

11. The indebtedness owing to RBC is in excess of \$1.3 million.

12. RBC has provided Plasticap with more than sufficient time to repay the indebtedness. Plasticap has been unable to fulfil its obligations to RBC.

13. At this stage, RBC wishes to take any and all steps necessary to enforce its security and realize on same.

14. RBC considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

15. The appointment of a receiver is provided for in the Security delivered to RBC by Plasticap (see section 13 of the General Security Agreement).

16. RBC proposes that msi Spergel inc. be appointed as receiver of Plasticap.

17. msi Spergel inc. has consented to act as receiver should the Court so appoint it.

18. The other grounds set out in the affidavit of Jan Oros.

19. Section 243(1) of the *Bankruptcy and Insolvency Act*.

20. Section 101 of the *Courts of Justice Act*.

21. Rules 1.04, 1.05, 2.01, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

22. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

- (a) Affidavit of Jan Oros sworn December 21, 2022 and the Exhibits thereto;
- (b) Consent of the Receiver;
- (c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

Date: December 21, 2022

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO#42081V)
rmoses@mindengross.com
Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for the Plaintiff

TO: **SERVICE LIST**

B E T W E E N

ROYAL BANK OF CANADA
Plaintiff

-and-

1731861 ONTARIO INC. operating as PLASTICAP, et al.
Defendants
Court File No. CV-22-00691955-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO#42081V)
rmoses@mindingross.com
Tel: 416-369-4115
Lawyers for Royal Bank of Canada

(File No. 4130784)

Court File No. CV-22-00691955-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

and

**1731861 ONTARIO INC. operating as PLASTICAP, PETER J. GOSSMANN and
THOMAS FRANK LATO**

Defendants

**AFFIDAVIT OF JAN OROS
(sworn December 21, 2022)**

I, **JAN OROS**, of the Town of Georgina, in the Regional Municipality of York, **MAKE OATH AND SAY:**

1. I am a Senior Manager of the Special Loans & Advisory Services Group of Royal Bank of Canada ("**RBC**"), with carriage of the RBC accounts of the defendant, 1731861 Ontario Inc. operating as Plasticap ("**Plasticap**"). As such, I have knowledge of the matters to which I hereinafter depose.

2. Where the information in this affidavit is based upon information and belief, I have indicated the source of my information and belief and do verily believe it to be true.

3. To the extent that any of the information set out in this affidavit is based on my review of RBC's documents, I verily believe the information in such documents to be true.

Background

4. I am swearing this affidavit in support of a motion by RBC seeking to appoint msi Spergel inc. ("**Spergel**") as receiver over the assets and undertaking of Plasticap.

5. On November 28, 2022, RBC issued to Plasticap a Notice of Intention to Enforce Security pursuant to s. 244 of the Bankruptcy and Insolvency Act (the "**BIA**"), together with a demand letter seeking payment in full of the amounts owing under a revolving demand facility ("**Operating Facility**") and Visa business facility ("**Visa Facility**") to Plasticap set out further below.

6. The Operating Facility and Visa Facility are repayable on demand.

The Parties

7. Plasticap is incorporated pursuant to the laws of Ontario, with its registered head office address at 177 Crosby Avenue, Richmond Hill, Ontario (the "**Crosby Address**"). Plasticap's website indicates that Plasticap "is a manufacturer of specialty caps and closures for a number of vertical markets, including Food, Dairy, Beverages, Condiments, Industrial, Petro-Chemical, Medical and Pharmaceutical." Attached as **Exhibit "A"** is a copy of "Who We Are" from Plasticap's website. Attached

as **Exhibit “B”** is a copy of the Corporate Profile Report for Plasticap dated November 15, 2022.

8. As per the Corporate Profile Report, i) the business name “Plasticap” expired on January 25, 2020 and ii) the officers and directors of Plasticap are Peter Gossmann and Thomas Lato. Mr. Gossmann and Mr. Lato also guaranteed the debts of Plasticap to RBC.

RBC Credit Agreement and Security

9. Plasticap is directly indebted to RBC in connection with the Operating Facility and the Visa Facility made available by RBC to Plasticap pursuant to a credit facilities letter agreement dated December 31, 2020 and amended by way of amending letter agreement dated February 9, 2022 and together with Terms and Conditions and Schedules are collectively the “**Credit Agreement**”. Plasticap is also indebted to RBC in connection with two term loans as set out in the Credit Agreement. A copy of the Credit Agreement together with the RBC Royal Bank Visa Business Card Agreement signed April 17, 2018 by Plasticap (the “**Visa Agreement**”) are attached as **Exhibit “C”**.

10. Pursuant to the “Credit Facilities” section of the Credit Agreement, the credit limit permitted under the Operating Facility was “The aggregate of Facility 1 and Facility #3 shall not exceed \$1,750,000.00 at any time.” Facility #1 (i.e., the Operating Facility) is described as \$1,750,000.00 revolving demand facility, reducing to

\$1,250,000.00 on the date of drawdown of Facility #3. Facility #3 is described as \$500,000.00 non-revolving term facility.

11. Pursuant to the "Repayment" section of the Credit Agreement, Plasticap agreed to repay the Operating Facility on demand.

12. RBC also established the Visa Facility in favour of RBC with a credit limit of \$101,000.00 available in Canadian currency and US currency.

13. Pursuant to the "Termination" section of the Visa Agreement, RBC can terminate the Visa Facility at any time by giving written notice of termination and upon termination of the Visa Agreement, Plasticap is required to pay all amounts owing under the Visa Facility.

14. Pursuant to the "Reporting Requirements" section of the Credit Agreement, Plasticap agreed to provide the following to RBC:

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end ("**Monthly Borrowing Limit Certificate**");
- b) monthly aged list of accounts receivable, aged list of accounts payable, listing of inventory, aged list of Private Insured Accounts Receivable

indicating country of origin for each receivable and most recent credit approval listing from the insurer supported by a loss payable endorsement to or assignment of the applicable insurance policy and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end (**“Monthly Reporting of AR / AP / Inventory”**);

- c) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end (**“Annual Review Engagement Financials”**);
- d) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2023;
- e) such other financial and operating statements and reports as and when the Bank may reasonably require.

15. Pursuant to the “General Covenants” section of the Credit Agreement, Plasticap agreed with RBC that it would, among other things:

- a) pay all sums of money when due under the terms of the Credit Agreement;
- b) immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default; and

- c) deliver to RBC such financial and other information as RBC may reasonably request from time to time, including, but not limited to, the reports and other information set out under Reporting Requirements.

16. Pursuant to the “Events of Default” section of the Credit Agreement, the following events, among others, constitute an “Event of Default” entitling RBC, in its sole discretion, to realize on all or any portion of any Security (as defined in the Credit Agreement):

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to the Credit Agreement; and
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition contained in the Credit Agreement, the Security, or any other agreement delivered to RBC or in any documentation relating hereto or thereto.

17. As security for the Credit Facilities, Plasticap granted RBC a general security agreement on the Bank’s Standard Form 924 signed by Plasticap on July 26, 2020 (the “**GSA**”), registration in respect of which was duly made pursuant to the Personal Property Security Act (Ontario) (the “**PPSA**”).

18. Pursuant to the “Covenants of the Debtor” section of the GSA, Plasticap agreed:

- “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;”

19. Pursuant to the “Events of Default” section of the GSA, failure by Plasticap to pay when due any principal or interest forming part of the Indebtedness or Plasticap's failure to observe or perform any obligation, covenant, term, provision or condition contained in the GSA or any other agreement between Plasticap and RBC constitutes default under the GSA.

20. Pursuant to the “Remedies” section of the GSA, upon default, RBC is entitled to appoint a receiver. Attached as **Exhibit “D”** is a copy of the GSA.

21. Pursuant to section 16 of the GSA, Plasticap represented and warranted that i) the address of Plasticap is the Crosby Address; ii) there are no encumbrances affecting the Collateral (as defined in the GSA); iii) Plasticap's business operations is located at the Crosby Address; and iv) the Collateral is located at the Crosby Address.

22. Mr. Gossmann and Mr. Lato each provided RBC with a guarantee and postponement of claim on the Bank's Standard Form 812 executed by them on July 26, 2020 and limited to the principal sum of \$1,120,000.00. They also provided RBC with a Personal Statement of Affairs (“PSOA”) dated January 26, 2018 from Mr. Gossmann and January 18, 2018 from Mr. Lato. Attached as **Exhibit “E”** are copies of Mr. Gossmann's guarantee and Mr. Lato's guarantee together with their PSOA.

Secured Creditors

23. Attached as **Exhibit “F”** is a copy of the certified PPSA search results for Plasticap, with currency to November 14, 2022.

24. The PPSA search results indicate that RBC is the only registrant.

Default and Demand

25. The accounts of Plasticap were transferred to RBC’s Special Loans & Advisory Services Group in November, 2022.

26. Prior to the transition to Special Loans & Advisory Services Group, RBC Senior Commercial Account Manager, Avi Chutani, was requesting since at least August 2022, that Plasticap comply with its Reporting Requirements under the Credit Agreement. Attached as **Exhibit “G”** are copies of email communications between Senior Commercial Account Manager, Avi Chutani, and Plasticap’s accountant, Mr. Gossmann and Mr. Lato sent on August 17 and 18, 2022 and September 12 and 20, 2022.

27. Plasticap failed or refused to provide to RBC the Monthly Borrowing Limit Certificate, the Monthly Reporting of AR / AP / Inventory and the Annual Review Engagement Financials.

28. As a result, a written notice of default was issued by RBC to Plasticap on October 3, 2022 (**“First Default Letter”**). The First Default Letter required Plasticap to

remedy the reporting default by October 15, 2022. RBC reserved all rights arising out of the default and specifically reserved the right to demand payment. Attached as **Exhibit “H”** is a copy of the First Default Letter.

29. Plasticap did not remedy the reporting default by October 15, 2022 as required under the First Default Letter.

30. Attached as **Exhibit “I”** are copies of email communications between Senior Current Account Manager, Avi Chutani and Plasticap’s accountant, Mr. Gossmann and Mr. Lato sent on October 16 and 19, 2022 and November 1, 2022.

31. On November 8, 2022, RBC issued another written notice of default to Plasticap (the “**Second Default Letter**”). The Second Default Letter indicated that Plasticap failed to i) provide to RBC the Monthly Borrowing Limit Certificate for the months of July 31, 2022, August 31, 2022 and September 30, 2022 and ii) to provide to RBC the Monthly Reporting of AR / AP / Inventory for the months of July 31, 2022, August 31, 2022 and September 30, 2022. The Second Default Letter required Plasticap to cure the default by November 15, 2022. RBC continued to reserve all rights arising out of the default and specifically reserved the right to demand payment. Attached as **Exhibit “J”** is a copy of the Second Default Letter.

32. Plasticap did not remedy the reporting default by November 15, 2022.

33. As a result, the accounts of Plasticap were transferred to Special Loans & Advisory Services Group.

34. By transition letter dated November 14, 2022 (“**Transition Letter**”), a copy of which is attached as **Exhibit “K”**, RBC advised Plasticap that its accounts were being transferred to Special Loans & Advisory Services Group based on:

- 1) Plasticap’s apparent inability to meet the covenants and conditions under the Credit Agreement and Security;
- 2) the recent change in Plasticap’s financial performance and/or conditions;
- 3) Plasticap’s account maintained with RBC is operating in a manner unsatisfactory to RBC (i.e., excess positions).

35. Following issuance of the Transition Letter, I arranged a meeting with Mr. Gossmann for November 17, 2022. After the meeting, I sent a summary of our meeting to Mr. Gossmann and Mr. Lato by email. In my email, I also advised that RBC requires certain financial information by November 21, 2022 (“**1st Set**”) and additional financial information by November 25, 2022 (“**2nd Set**”)¹:

“Hi Peter,

Thank you for taking the time to meet with me today.

The following is a summary of my understanding of our discussion today. Please confirm if the summary is accurate or provide further details/clarifications if needed.

- 177 Crosby Avenue was purchase by Tom/Company owned by Tom in and around 2004/2005. (please confirm purchasing entity)
- Plasticap Inc was sold via a receivership to 2072906 Ontario in 2005.

¹ The dates for the 1st Set and 2nd Set of financial information were based on discussions I had with Mr. Gossmann at the November 17, 2022 meeting.

- In around 2007, 2072906 Ontario sold Plasticap to the now present owner 1731861 Ontario Inc. ("173") owned 80-% Tom, 20%- Peter
- From 2005 to roughly 2018, sales were steady but profits were declining due to the ongoing increases in Hydro, you indicated hydro costs went from \$14,000/month to over \$60,000/month over that time until the final year you operated at 177 Crosby being end of 2018
- In roughly early 2019, Tom sold 177 Crosby
- Polycap LLC (majority owned by Tom & Peter) was started in 2018/2019 and 80% of the 173 assets were moved to Polycap LLC at that time located at 219 Joe Gillespie Drive, Lebanon, VA, the other 20% of assets roughly consisting of 2 production lines and 6 moulds were moved to Hawk Plastics at 5295 Burke Street, Oldcastle, Ontario (Peter to confirm this address), finished goods inventory is located at both Polycap and Hawk in roughly the same proportion
- 219 Joe Gillespie Drive is a new 80,000 sq/ft building owned by Greenfield Holdings which is owned by Tom and Peter, approximately \$800,000 is owing
- Tom & Peter also own Polymer Processing in both Canada and USA and they are located at the same address as Polycap in Virginia.
- 173 has bank accounts at TD (CEBA loan) and BMO but you note these accounts are not active, Polymer Processors also banks at BMO
- You have advised that Polycap LLC banks with FirstBank in Virginia and has a \$300,000 term loan with that lender, Polymer Processors banks with another bank in the USA whose name you could not recall but has no loans
- Polycap LLC's most recent financial statements prepared are for the year ending December 31, 2021
- Day to day bookkeeping is done by your bookkeeper, Cynthia, information she prepares/compiles is basically current and is sent to your external accountant Anirban Mukerjee who then files the info in the Bank's covarity system
- CRA priority payables outstanding for payroll/ HST is approximately \$100,000 presently

As discussed, the Bank will require some information from you to determine its next steps. We would like to be in receipt of the following by end of day Monday November 21, 2022:

1. Aged Accounts receivable and payable summaries directly from quickbooks as of October 31, 2022
2. Income statement and balance sheet as of October 31, 2022
3. Most recent bank statement for Plasticap's TD and BMO accounts
4. The year-end financial statements for Polycap LLC for the year ending December 31, 2021
5. Copy of most recent bank statement for Polycap LLC (FirstBank)
6. Sample of 2 recent invoices issued to Colgate, Lear and Evergreen

We would also like to receive the following information at your earliest opportunity, but no later than November 25, 2022:

- a. Current insurance binder to confirm coverages
- b. CRA MyAccount printout showing exact amount owing for payroll and HST and confirming if any returns are outstanding
- c. 6 month cash flow forecast
- d. Your proposed plan to address the line of credit not revolving and to pay down the debt
- e. Asset listing of assets moved to Hawk and Polycap
- f. Agreement you have with Hawk Plastics regarding equipment, moulds and the manufacturing of your inventory

As discussed today, the CRA arrears creates an issue with the security you granted to the Bank as CRA's deemed trust takes priority over the Bank's priority over the Company's assets when arrears balances are owed. We would also note that the \$100,000 owing should have been noted on the margin reporting which would have the effect of reducing the available borrowing limit to the Company. Only \$7,300 was noted on the May margin report.

Please also advise when access would be possible to arrange to view the Plasticap assets held at Hawk and Polycap LLC. We would be sending someone out that is familiar with this type of equipment to compile a listing of the assets for the Bank.

If you have any questions regarding the above, please let me know so we can arrange a time to discuss."

36. Mr. Gossmann responded to my email on November 18, 2022 confirming that the 1st Set will be provided by November 21, 2022 and the 2nd Set, other than item d., would be provided by November 25, 2022. Attached as **Exhibit "L"** is a copy of the email exchange with Mr. Gossmann.

37. Plasticap did not provide the financial information requested under the 1st Set by November 21, 2022. I sent a follow up email to Mr. Gossmann and Mr. Lato on November 22, 2022. On November 23, 2022, Mr. Gossmann advised that I would receive the financial information today.

38. On November 25, 2022, Plasticap's accounting manager, Navin Bhagtani, provided me with i) a screen shot of a BMO USD account (account holder not identified); ii) screen shot of Account Activity with TD (account holder is not identified) for the month of October 2022; and iii) First Bank & Trust Company bank statement for Polycap LLC for the month of October 2022. Further, Mr. Bhagtani advised that he would upload AR, AP and Inventory to October 2022 by the end of day. Attached as **Exhibit "M"** is a copy of Mr. Bhagtani's email sent on November 25, 2022 together with attachments.

39. On or about November 28, 2022, RBC's lawyers herein, Minden Gross LLP, issued demands and related s. 244 notice under the BIA on behalf of RBC to Plasticap and to Mr. Gossmann and Mr. Lato as guarantors in respect of the Operating Facility and the Visa Facility. Attached as **Exhibit "N"** are copies of the demands for payment with related s. 244 notice under the BIA.

40. RBC's demand letters required payment in full under the Operating Facility and the Visa Facility on or before December 8, 2022.

41. Plasticap and Mr. Gossmann and Mr. Lato, as guarantors, did not satisfy RBC's demands on or before December 8, 2022.

Polycap LLC

42. During my meeting with Mr. Gossmann on November 17, 2022, he advised me i) Polycap LLC was started in 2018/2019; ii) Polycap LLC is majority owned by him and Mr. Lato; iii) approximately 80% of Plasticap's assets were moved to Polycap LLC's location at 219 Joe Gillespie Drive, Lebanon, Virginia when 1646813 Ontario Limited sold the Crosby Address. As per the Corporate Profile Report for 164, Mr. Lato is the sole officer and director. As per the parcel search for the Crosby Address, 164 was the owner of the Crosby Address from to February 3, 2005² until August 8, 2019 when it sold it for \$7,050,000.00 to Hanahreum Mart Inc. Attached as **Exhibit "O"** are copies of the Corporate Profile Report for 164 together with the parcel search for the Crosby Address.

43. Attached as **Exhibit "P"** is a copy of an article "Polycap Establishing First U.S. Manufacturing Facility In Virginia" dated April 11, 2019 which describes Polycap LLC as carrying on the same business as Plasticap:

- "a Toronto-based manufacturer of specialty caps and closures for a number of vertical markets";
- "headquartered in Toronto, Canada, Polycap is a leading manufacturer of specialty caps and closures for plastic packaging servicing personal care and home product, food and beverage container, medical device and

pharmaceutical product industries.”, Dairy, Beverages, Condiments, Industrial, Petro-Chemical, Medical and Pharmaceutical.”

44. Attached as **Exhibit “Q”** are copies of the report and certificate from the Virginia State Corporation Commission in connection with Polycap LLC filings together with copies of the following filings in favour of:

- 1) The First Bank and Trust Co.
- 2) Engel Machinery, Inc.
- 3) Federal Tax Lien (\$17,537.28)
- 4) Cumberland Plateau Planning District Commission
- 5) Robert Michael Cain
- 6) Federal Tax Lien (\$85,635.86)
- 7) Federal Tax Lien (\$91,238.58)
- 8) People Inc. Financial Services

45. On December 1, 2022, RBC’s lawyers registered a UCC financing statement against Plasticap, a copy of which is attached as **Exhibit “R”**.

46. Following the expiry of the demand letters, Plasticap, through its lawyers, provided certain financial and other information as previously requested by RBC (collectively the “Information Emails”). In particular, the information indicated, among other things:

² As the parcel search for the Crosby Address indicates, 164 purchased the Crosby

- a) that money appears to be owing to Canada Revenue Agency for source deductions in breach of the Credit Agreement; and
- b) that some of Plasticap’s assets, which are subject to RBC’s security interest, may be encumbered by UCC filings in favour of Polycap LLP in breach of the Credit Agreement and the GSA.

47. Attached as **Exhibit “S”** are copies of the Information Emails (partially redacted).

48. As of December 19, 2022, the indebtedness owing to RBC, excluding the term loans and legal fees, is:

Credit Facility	Principal	Accrued Interest	Total
Operating Facility	\$1,250,000.00	\$5,905.82	\$1,255,905.82
Visa Facility CDN			\$45,149.34
Visa Facility US			\$41,323.24
<hr/>			
Total CAD \$ facilities	\$1,301,055.16		
Total US \$ facilities	\$41,323.24		

49. As the indebtedness remains outstanding, on December 20, 2022, RBC issued the within proceedings to appoint Spergel as Receiver. A copy of the statement of claim is located at Tab 3 to this Motion Record.

Address from Plasticap Inc. On application of RBC, Plasticap Inc. was placed into receivership by Order of Justice Greer on June 12, 2005.

APPOINTMENT OF RECEIVER

50. Section 13 of the GSA provides for the appointment of a receiver upon default.

51. RBC has provided Plasticap with more than sufficient time to repay the indebtedness. Plasticap has been unable to fulfil its obligations to RBC.


52. RBC is entitled to take any and all steps necessary to enforce its security and realize on same.

53. RBC considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

54. Spergel has consented to act as receiver over Plasticap. Attached as **Exhibit "T"** is a copy of the Consent to Act.

55. This affidavit is sworn in support of RBC's motion for an Order to appoint Spergel as receiver over Plasticap, and for no other or improper purpose.

SWORN by Jan Oros of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 21, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.


Rachel Moses (Dec 21, 2022 12:05 EST)

Commissioner for Taking Affidavits
(or as may be)

Rachel Moses / LSO# 42081V

#55311454130784 v1

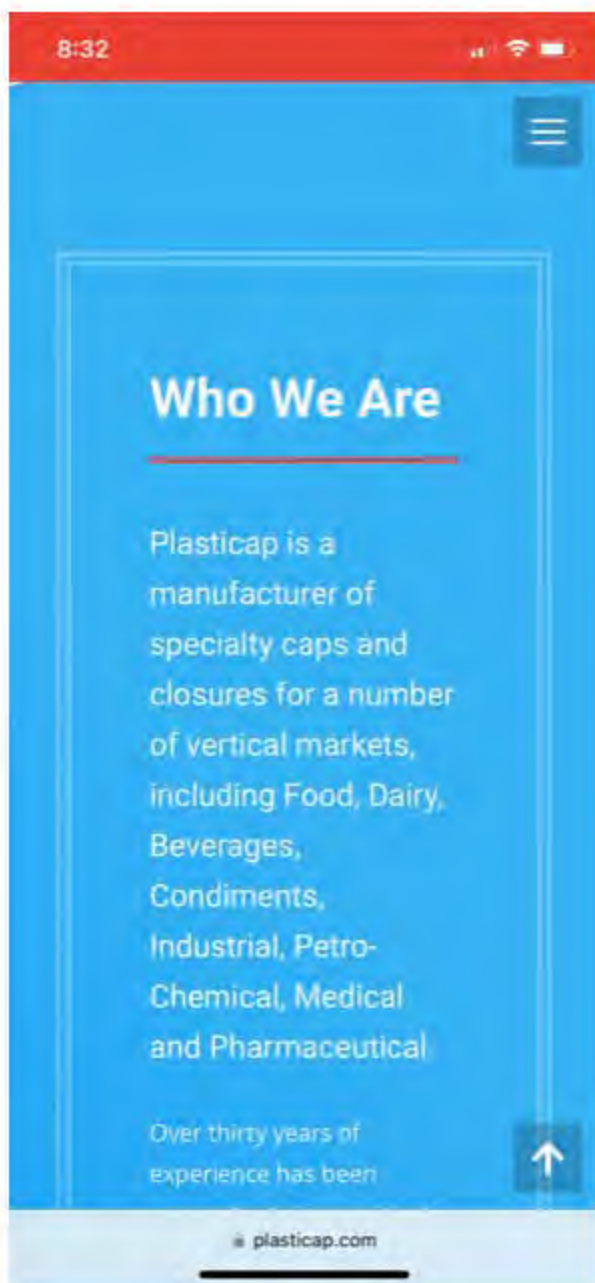

JAN OROS

This is Exhibit "A" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.



Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



This is Exhibit "B" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



Ministry of Government and
Consumer Services

Profile Report

1731861 ONTARIO INC. as of November 15, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1731861 ONTARIO INC.
Ontario Corporation Number (OCN)	1731861
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	April 12, 2007
Registered or Head Office Address	[Not Provided] 177 Crosby Avenue, Richmond Hill, Ontario, Canada, L4C 2R3

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors 2
Maximum Number of Directors 2

Name Peter GOSSMANN
Address for Service 5 Oakington Place, Mississauga, Ontario, Canada, L5N 3V9
Resident Canadian Yes
Date Began April 12, 2007

Name Thomas LATO
Address for Service 6021 19th Avenue, Markham, Ontario, Canada, L3P 3J3
Resident Canadian Yes
Date Began April 12, 2007

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name

Peter GOSSMANN

Position

Secretary

Address for Service

5 Oakington Place, Mississauga, Ontario, Canada, L5N 3V9

Date Began

April 12, 2007

Name

Thomas LATO

Position

President

Address for Service

6021 19th Avenue, Markham, Ontario, Canada, L3P 3J3

Date Began

April 12, 2007

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Corporate Name History

Name

1731861 ONTARIO INC.

Effective Date

April 12, 2007

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

Name	PLASTICAP
Business Identification Number (BIN)	250085073
Status	Inactive - Expired
Registration Date	January 26, 2015
Expired Date	January 25, 2020

Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
Annual Return - 2019 PAF: TOM LATO - DIRECTOR	December 29, 2019
CIA - Notice of Change PAF: THOMAS LATO - DIRECTOR	September 24, 2019
Annual Return - 2018 PAF: TOM LATO - DIRECTOR	July 14, 2019
Annual Return - 2018 PAF: TOM LATO - DIRECTOR	January 27, 2019
Annual Return - 2011 PAF: TOM LATO - DIRECTOR	July 09, 2011
Annual Return - 2010 PAF: TOM LATO - DIRECTOR	November 13, 2010
CIA - Initial Return PAF: LAWRENCE FINE - OTHER	October 11, 2007
BCA - Articles of Incorporation	April 12, 2007

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.


Certified a true copy of the record of the Ministry of Government and Consumer Services.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

This is Exhibit "C" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



Royal Bank of Canada
 Commercial Financial Services
 6880 Financial Drive - 2nd Floor Link
 Mississauga, Ontario L5N 7Y5

December 31, 2020

Private and Confidential

1731861 ONTARIO INC.

177 Crosby Avenue
 Richmond Hill, Ontario
 L4C 2R3

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 July 8, 2020 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, unless expressly indicated otherwise, 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, default or Event of Default.

BORROWER: 1731861 Ontario Inc. (the "**Borrower**")

CREDIT FACILITIES

Facility #1: \$1,750,000.00 revolving demand facility by way of:

a) 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 + 2.00%

b) RBUSBR based loans in US currency ("**RBUSBR Loans**")

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBUSBR + 2.00%

c) Letters of Guarantee in Canadian currency or US currency ("**LGs**")

Fees to be advised on a transaction-by-transaction basis. Fees and drawings to be charged to Borrower's accounts. Minimum fee of \$100.00 in the currency of issue.

® Registered Trademark of Royal Bank of Canada

AVAILABILITY

The Borrower may borrow, convert, 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 plus Borrowings outstanding under Facility#2 must not exceed at any time the aggregate of the following, less Potential Prior-Ranking Claims (the "Borrowing Limit"):

- a) 75% of Good Canadian/US Accounts Receivable;
- b) 90% of Good Private Insured Accounts Receivable;
- c) to a maximum of \$250,000.00, 40% of the lesser of cost or net realizable value of Unencumbered Inventory.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, and regardless of the maturities of any outstanding instruments or contracts, Borrowings under this facility are repayable on demand.

GENERAL ACCOUNT

The Borrower shall establish current accounts with the Bank in each of Canadian currency and US currency (each a "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 each 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, or RBUSBR Loans as applicable, 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, or RBUSBR Loans as applicable, under this facility.

Facility #2: \$562,848.78 non-revolving term facility by way of:

- a) Fixed Rate Term Loans ("FRT Loans") Interest rate (per annum): 3.22%

REPAYMENT

Payment Amount:	\$10,838.72	Payment Frequency:	Monthly
Payment Type:	Blended	Payment date:	18th of each month
Repayable in full on:	August 20, 2025	Current remaining amortization (months)	57
Amount eligible for prepayment of FRT Loan: 0%			

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) Credit Card to a maximum amount of \$101,000.00 available in Canadian currency and US currency.

FEES**One Time Fee:**

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

Review Fee: \$1,500.00

Monthly Fee:

Payable in arrears on the same day of each month.

Management Fee: ~~\$1,000.00~~

750 / Thomas

Other Fees:**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, if applicable, (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 \$1,120,000.00 signed by Thomas F. Lato;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,120,000.00 signed by Peter J. Gossmann;
- d) Postponement and assignment of claim on the Bank's form 918 signed by Thomas F. Lato;
- e) Postponement and assignment of claim on the Bank's form 918 signed by Peter J. Gossmann.

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. Debt Service Coverage of not less than 1.25:1;
 - ii. a ratio of Total Liabilities to Tangible Net Worth of not greater than 2.5:1.

REPORTING REQUIREMENTS

The Borrower will provide the following to the Bank:

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end;
- b) monthly aged list of accounts receivable, aged list of accounts payable, listing of inventory, aged list of Private Insured Accounts Receivable indicating country of origin for each receivable and most recent credit approval listing from the insurer supported by a loss

payable endorsement to or assignment of the applicable insurance policy and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end;

- c) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- d) biennial personal statement of affairs for all Guarantors, who are individuals, within 120 days of the end of every second fiscal year of the Borrower, commencing with the fiscal year ending in 2022;
- e) 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.

BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides 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 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the

1731861 Ontario Inc.

December 31, 2020

Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

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 (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

GOVERNING LAW JURISDICTION

Province of Ontario

ACCEPTANCE

This Agreement is open for acceptance until January 30, 2021, after which date it will be null and void, unless extended by the Bank in its sole discretion.

ROYAL BANK OF CANADA

Per: 

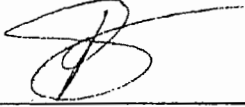
Title: Vice President

RBC Contact: KUMAR NAIR

/mh


We acknowledge and accept the terms and conditions of this Agreement on this 4th day of JANUARY, 2021.

1731861 ONTARIO INC.

Per: 

Name: TOM LATO

Title: PRESIDENT

Per: 

Name: PETER GOSSMANN

Title: VICE PRESIDENT

I/We have the authority to bind the Borrower

Attachments:**Terms and Conditions****Schedules:**

- Definitions
- Calculation and Payment of Interest and Fees
- Additional Borrowing Conditions
- Borrowing Limit Certificate
- RBC Covarity Dashboard Terms and Conditions

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 including, without limitation, an amount equal to the face amount of all LGs which are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings. 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 or RBUSBR Loans, the Borrower may prepay such Borrowings in whole or in part without fee or premium.

Where Borrowings are by way of FRT Loans, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage, as selected by the Borrower for each FRT Loan, of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of Borrowings by way of FRT Loans prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
- (i) the amount equal to 3 months' interest payable on the amount of the FRT Loan Borrowings being prepaid, calculated at the interest rate applicable to the FRT Loan Borrowings on the date of prepayment; and
 - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the FRT Loan and the current cost of funds for a loan with a term substantially similar to the remaining term of the FRT Loan and an amortization period substantially similar to the remaining amortization period of the FRT Loan, each as determined by the Bank on the date of such prepayment;

plus:

- b) forgone margin over the remainder of the term of the FRT Loan. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the FRT Loan and the interest that would have been charged to the Borrower over the remaining term of the FRT Loan;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event that the Bank demands repayment of the outstanding principal of the FRT Loan on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the loan amount and will be secured by the Security described herein.

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.

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 a breach of any covenant or other term or condition of this Agreement or any Security or 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 or composition and 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 combination with any other Person;
- 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 breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable, or 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

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, 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. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor. 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.

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.

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, solidarily) 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 original 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) if applicable, it is duly constituted, validly existing and duly registered or qualified to carry on business or its operations in all jurisdictions where the nature of its properties, assets, business or operations make such registration or qualification necessary or desirable;
- b) the execution, delivery and performance by it of this Agreement do not violate any Applicable Laws or agreements to which it is subject or by which it is bound, and where applicable, have been duly authorized by all necessary actions and do not violate its constating documents;
- c) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of this Agreement or any Security or any other agreement delivered to the Bank or 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, if applicable, hereunder.

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, if applicable, 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;
- 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.

INCREASED COSTS

If any change in Applicable Laws or the interpretation thereof after the date hereof (i) imposes or increases taxes on payments due to the Bank hereunder (other than taxes on the overall net income of the Bank), (ii) imposes or increases any reserve or other similar requirement or (iii) imposes or changes any other condition affecting the Credit Facilities, and the result of any of the foregoing results in any additional cost to the Bank of making available, continuing or maintaining any of the Credit Facilities hereunder (or maintaining any obligations to make any such Credit Facilities available hereunder) or results in any reduction in the amount of any sum received or receivable by the Bank in connection with this Agreement or the Credit Facilities made available hereunder, then from time to time, upon written request of the Bank, the Borrower shall promptly pay to the Bank, such additional amount or amounts as will compensate the Bank for any such additional costs incurred or reduction suffered.

CONFIDENTIALITY

This Agreement and all of its terms are confidential (“**Confidential Information**”). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower’s directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without

limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

Schedule "A"

DEFINITIONS

For the purpose of this Agreement, if applicable, 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;

"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;

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

"Cash Taxes" means, for any fiscal period, any amounts paid in respect of income taxes;

"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, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, 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 Cash Taxes and, to the extent not deducted in determining net income, 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 Canadian/US Accounts Receivable” means Canadian/US Accounts Receivable 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, (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;

“Good Private Insured Accounts Receivable” means Private Insured Accounts Receivable, 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, (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, or (vi) 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;

“Letter of Guarantee” or **“LG”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

“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, and any other incorporated or unincorporated entity;

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

"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;

"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;

"Private Insured Accounts Receivable" means trade accounts receivable of the Borrower, where the payment has been insured by an insurer acceptable to the Bank, on terms and conditions satisfactory to the Bank, and the Bank has been named as loss payee by way of a duly executed assignment of or a rider/endorsement to the applicable insurance policy from such other insurer, supported by a copy of the applicable insurance policy and any renewals thereof;

"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;

"RBR" and **"Royal Bank US Base Rate"** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US 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, plus all contingent liabilities such as, but not limited to, outstanding letters of credit, outstanding letters of guarantee and all third-party liabilities which are guaranteed by the Borrower;

"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;

"US" means United States of America.

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. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.

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 or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. 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 AND RBUSBR LOANS

The Borrower shall pay interest on each RBP Loan and RBUSBR 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.

LETTER OF GUARANTEE FEES

The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency and fees for LGs issued in any other approved currency shall be paid in Canadian currency.

FRT LOANS

The Borrower shall pay interest on each loan in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. 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.

Schedule "D"**ADDITIONAL BORROWING CONDITIONS****LGs:**

Borrowings made by way of LGs will be subject to the following terms and conditions:

- a) each LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LG, the Borrower shall execute a duly authorized application with respect to such LG and each LG shall be governed by the terms and conditions of the relevant application for such contract;
- c) an LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LG has been obtained;
- d) any LG issued under a term facility must have an expiry date on or before the Maturity Date of the term facility, unless otherwise agreed by the Bank; and
- e) if there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LG, the terms of the application for LG shall govern.

FRT Loans:

Borrowings made by way of FRT Loans will be subject to the following terms and conditions:

- a) each FRT Loan shall have a minimum term of one year;
- b) the Borrower shall select an amount eligible for prepayment of 10% or 0% for each new FRT Loan prior to the advance of such FRT Loan;
- c) each FRT Loan shall be in an amount not less than \$10,000.00; and
- d) each FRT Loan shall have a term as outlined in the applicable repayment section of each corresponding credit facility, provided that the maturity date of any FRT Loan issued under any term facility shall not extend beyond the Maturity Date of the term facility.

BORROWING LIMIT CERTIFICATE

I, _____, representing the Borrower hereby certify as of month ending _____:

1. I am familiar with and have examined the provisions of the Agreement dated December 31, 2020 and any amendments thereto, between 1731861 Ontario 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 Canadian/US 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	\$ _____	
Plus:	g) Other ineligible accounts	\$ _____	
	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/US Accounts Receivable			A \$ _____
Marginable Good Canadian/US Accounts Receivable at 75% of A			B \$ _____
Total Private Insured 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) Other ineligible accounts	\$ _____	
Plus:	g) 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, which the Bank has designated as nevertheless good	\$ _____	
Good Private Insured Accounts Receivable			C \$ _____
Marginable Good Private Insured Accounts Receivable at 90% of C			D \$ _____
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			E \$ _____
Marginable Unencumbered Inventory at 40% of E (Max \$250,000.00)			F \$ _____

Schedule F

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		G \$ _____
	Borrowing Limit (B+D+F-G)		\$ _____
	Less: Facility #1 Borrowings		\$ _____
	Less: Facility #2 Borrowings		\$ _____
	Margin Surplus (Deficit)		\$ _____

3. The reports (if required as per the Reporting Requirements section of the Agreement) 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_____.

Per: _____

Name: _____

Title: _____

Schedule "H"**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.



Royal Bank of Canada
 Commercial Financial Services
 6880 Financial Dr 2nd Flr Link
 Mississauga, ON L5N 7Y5

February 9, 2022

Private and Confidential

1731861 ONTARIO INC.

177 Crosby Ave
 Richmond Hill, ON
 L4C 2R3

We refer to the agreement dated December 31, 2020 and any amendments thereto, between 1731861 Ontario 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. The Credit Facilities section is amended as follows:

- a) The following sentence is added immediately following the Credit Facilities heading:
 The aggregate of Facility #1 and Facility #3 shall not exceed \$1,750,000.00 at any time.
- b) the description of Facility #1 is amended and restated as follows:
Facility #1: \$1,750,000.00 revolving demand facility, reducing to \$1,250,000.00 on the date of drawdown of Facility #3, by way of:
- c) the Availability section for Facility #1 is amended by the addition of the following:
 Provided the Bank has not cancelled this facility or issued a demand for repayment, the available amount of this facility shall reduce to \$1,250,000.00 on the date of drawdown of Facility #3.
- d) Facility #3 is added as follows:
Facility #3: \$500,000.00 non-revolving term facility by way of:

^o Registered Trademark of Royal Bank of Canada

- | | |
|--------------|--|
| a) RBP Loans | Interest rate (per annum) to be determined at time of Borrowing based on the term selected by the Borrower |
| b) FRT Loans | Fixed interest rate to be determined at time of Borrowing |

AVAILABILITY

The Borrower may borrow and convert 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.

The proceeds of Borrowings advanced under this facility must be utilized to repay and permanently reduce Borrowings outstanding under Facility #1.

REPAYMENT

Payment Amount:	To be determined at drawdown	Payment Frequency:	Monthly
Payment Type:	Principal Plus Interest	Payment date:	30 days from drawdown
Repayable in full on:	The last day of a 1, 2,3, 4 or 5 year term from drawdown as selected by the Borrower	Original Amortization (months)	60
Amount eligible for prepayment of FRT Loan: 0%			

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Borrowing Request substantially in the form of Schedule "E" provided by the Borrower and accepted by the Bank.

2. Under the Reporting Requirements section, paragraph c) and d) are amended and restated as follows:
 - c) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end;
 - d) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2023;
3. Schedule "E" Borrowing Request is added as attached.

BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides 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 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for

Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

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 (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

CONDITIONS PRECEDENT

The effectiveness of this amending agreement is conditional upon receipt of:

- a) a duly executed copy of this amending 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 #3 will be made available unless the Bank has received a Borrowing Request from the Borrower substantially in the form of Schedule "E".

COUNTERPART EXECUTION

This amending agreement may be executed in any number of counterparts and by different

1731861 Ontario Inc.

February 9, 2022

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 March 9, 2022, after which date it will be null and void, unless extended by the Bank in its sole discretion.

ROYAL BANK OF CANADA



Per: _____
Title: Vice President

RBC Contact: Kumar Nair

/cs,

Agreed to and accepted this 28 th day of February, 2022.

1731861-ONTARIO INC.

Per: _____
Name: Tom Lato
Title: Pres.

Per: _____
Name: Peter Gossmann
Title: VP

I/We have the authority to bind the Borrower.

Schedule "E"

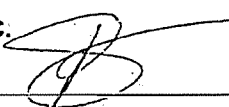
BORROWING REQUEST

The Borrower hereby requests the following be established under Facility # 3 :

Date of Borrowing	March 08, 2022		
Amount of Borrowing:	\$ 500,000.00		
Amortization (in months):	60 Months		
Selected Term: (Borrowing repayable in full on the last day of the Term)	5 Years		
Payment Amount:	\$9,375.11		
Payment Frequency:	weekly	<input type="checkbox"/>	bi-weekly <input type="checkbox"/>
	semi-monthly	<input type="checkbox"/>	monthly <input checked="" type="checkbox"/>
	quarterly	<input type="checkbox"/>	semi-annual <input type="checkbox"/> annual <input type="checkbox"/>
Selected Interest Rate (per annum):	4.74 % <input checked="" type="checkbox"/>	RBP +	% <input type="checkbox"/>
Selected Payment Type:	Blended (Principal and Interest) <input checked="" type="checkbox"/>	Principal plus Interest <input type="checkbox"/>	
	If variable interest rate selected with blended payments, the payment amount is subject to annual adjustment to ensure amortization		
First Payment Due Date:	April 08, 2022		
Amount Eligible for Prepayment of FRT Loan:	0% <input checked="" type="checkbox"/>	10% <input type="checkbox"/>	

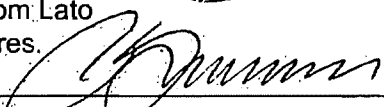
Dated this 28th day of February, 2022.

1731861 ONTARIO INC.

Per: 

Name: Tom Lato

Title: Pres.

Per: 

Name: Peter Gossmann

Title: VP

I/We have the authority to bind the Borrower

SRF# 328269253



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 6:00pm 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.

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.

c. **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:

- a. 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®: 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.rbc rewards.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/.

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

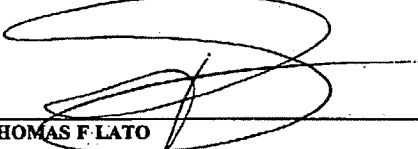
In the event of a breach or anticipated breach by a party or its Representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing 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 17 day of APRIL, 2018
Month Year

1731861 ONTARIO INC.

Customer Legal Name



Per: _____ *

Name: **THOMAS F. LATO**

Title: **PRESIDENT**

Per: _____ *

Name:

Title:

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. 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).

® /™ Trademark(s) 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).



Royal Bank

RBC Royal Bank® Liability Waiver Insurance Certificate

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 PSI048575914 (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) 412-2015
 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.

® / ™ Trademark(s) 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 "D" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



Royal Bank of Canada General Security Agreement

SRF:
328269253

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1731861.ONTARIO INC.

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 and all other Investment Property 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", "Investment Property", "proceeds", "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(s), 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., 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 and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). 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 situated 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, trademarks, 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 or of 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, INVESTMENT PROPERTY

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.

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

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, 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 situate, 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 whomever 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, licence 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 situate) 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 46) 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

O-FORM 924 (10/2017)

laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

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).

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

NAME OF BUSINESS DEBTOR 1731861 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR 177 CROSBY AVE	CITY RICHMOND HILL	PROVINCE ON	POSTAL CODE L4C 2R3

IN WITNESS WHEREOF executed this 26th day of JULY 2020.

1731861 ONTARIO INC.

Per:

Name: Thomas Lato
Title: President

Seal

Name: Peter Gossmann
Title: Secretary

Seal

We have authority to bind the Corporation

O-FORM 924 (10/2017)

laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

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).

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

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR 1731861 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR 177 CROSBY AVE	CITY RICHMOND HILL	PROVINCE ON	POSTAL CODE L4C 2R3

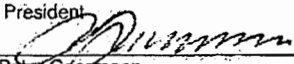
IN WITNESS WHEREOF executed this 20th day of JULY, 2020

1731861 ONTARIO INC.

Per:

Name: Thomas Lato
Title: President

Seal


Name: Peter Gossmann
Title: Secretary

Seal

We have authority to bind the Corporation

SCHEDULE "A"
(ENCUMBRANCES AFFECTING COLLATERAL)


SCHEDULE "B"**1. Locations of Debtor's Business Operations:**

177 CROSBY AVE
RICHMOND HILL
ON
CA
L4C 2R3

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)

This is Exhibit "E" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



Royal Bank of Canada
Guarantee and Postponement of Claim

SRF: 328269253
Borrower: 1731861 ONTARIO INC.

6880 FINANCIAL DR.
2ND FLR LINK
MISSISSAUGA
ONTARIO
L5N 7Y5
CA

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **1731861 ONTARIO INC.** (hereinafter called the "Customer"), to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,120,000.00** together with interest thereon from the date of demand for payment at a rate equal to the **Bank's Prime Interest Rate plus 5.00 percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

Please do not write in this area



RBC328269253001004000812

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

Please do not write in this area



RBC328269253002004000812

be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ONTARIO ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all P.P.S.A. except Ontario.) (18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

Please do not write in this area



RBC328269253003004000812

EXECUTED this JULY 26th 2020
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF [Signature] [Signature]
Witness Signature: [Signature] PETER J. GOSSMANN

BRENT MARSHALL
Name:
BY VIDEO CONFERENCE

Insert the full name and address of Guarantor (Undersigned above).

Full name and address

PETER J. GOSSMANN
5 OAKINGTON PLACE
MISSISSAUGA
ONTARIO
L5N3V9
CA

Please do not write in this area



RBC328269253004004000812



Royal Bank of Canada
Guarantee and Postponement of Claim

SRF: 328269253
Borrower: 1731861 ONTARIO INC.

6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA
ONTARIO
L5N 7Y5
CA

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **1731861 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,120,000.00** together with interest thereon from the date of demand for payment at a rate equal to the **Bank's Prime Interest Rate plus 5.00 percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

Please do not write in this area



RBC328269253001004000812

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

Please do not write in this area



RBC328269253002004000812

be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

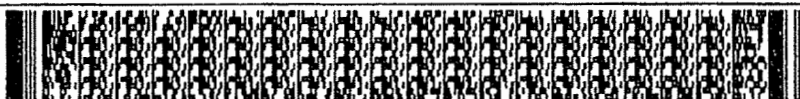
(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ONTARIO ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all
P.P.S.A.
except Ontario.)

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

Please do not write in this area



RBC328269253003004000812

EXECUTED this: JULY 26th, 2020
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF
Witness Signature: [Signature] [Signature]
THOMAS F LATO

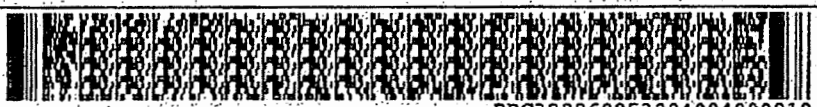
Name: BRENT MARSHALL
BY VIDEO CONFERENCE

Insert the full name and address of Guarantor (Undersigned above).

Full name and address

THOMAS F LATO
6021 19TH AVE RR 1
MARKHAM
ONTARIO
L3P3J3
CA

Please do not write in this area



RBC328269253004004000812



RBC Royal Bank

**PERSONAL STATEMENT OF AFFAIRS
(Business Loans)**

ADNW = 358,500

Please fill out the form, save, then print, sign and submit to Royal Bank as required.

Personal Information						
First Name	Middle Name	Last Name	Social Insurance #	Date of Birth		
Peter	John	Gossmann	462-010-448	(Mo. 07 Day 21 Year 1958)		
Home Address		City/Town	Province	Postal Code		
5 Oakington Place		Mississauga	Ontario	L5N3V9		
Home Phone #	Business Phone #	Residence Since (Year)	Own	Rent	Other	Marital Status
905-567-5856	416-402-2850	1999	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Married
Employer Name, Address			Employer Phone #	Occupation	Since (Year)	
Plasticap			905-883-4343	GM	2007	
Spouse Information						
First Name	Middle Name	Last Name	Social Insurance #	Date of Birth		
Andrea	Charlotte	Gossmann		(Mo. 10 Day 24 Year 1952)		
Employer Name, Address			Employer Phone #	Occupation	Since (Year)	
Retired						
Financial Profile						
Assets	Amount (\$)	Liabilities	Amount (\$)			
Cash - RBC		Overdrafts	2,000			
Cash - Other Financial Institutions	5,000	Credit Cards	20,000			
Accounts/Loans Receivable		Loans - RBC (Schedule F)				
Marketable Securities (Schedule A)		Loans - Other Lenders (Schedule G)				
Tax Sheltered Investments (Schedule B)		Real Estate Loans (Schedule D)	(RBC) Mtg 285,000			
Life Insurance (Schedule C)		Other Obligations				
Real Estate (Schedule D)	980,000	(B) Total Liabilities	307,000			
Business Interests (Schedule E)		(C) Total Net Worth (A - B)	706,000			
Other Assets	28,000	Sundry Obligations: are you personally supporting contingent obligations not listed above (e.g. co-signer/endorser/guarantor)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
		If yes, provide details on amount, to whom and the nature of obligations:				
(A) Total Assets	1,013,000					
Most Recent Annual Income (from Notice of Assessment) and Annual Expenses						
Income	Amount (\$)	Expenses	Amount (\$)			
Salary, Wages, Bonuses, Commissions	100,000	Annual Mortgage Payments	19,260			
Investment Income		Property Taxes/Condo Fees	5,700			
Net Rental Income		Insurance Premiums	1,500			
Other Income		Other Loan Payments (Including Credit Cards)	1,500			
Spouse's Gross Income	24,000	Other Expenses (i.e. Spousal/Child Support, Child Care, etc.)				
Total Annual Income		Total Annual Expenses				
General Information (If you answer "Yes" to any of the questions below, please provide details)						
Have you ever had an asset repossessed?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Are you involved in any claims or lawsuits?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Have you ever declared bankruptcy?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Do you owe any back taxes?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Note: If there is not enough space to list all securities/real estates/other investments owned by you in the schedules below, attach a detailed list to this document.						

Schedule A: Marketable Securities (Stocks & Bonds)				
Financial Institution	In Name of	Description (Type of Security)	Market Value (\$)	Pledged as Collateral? Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
Schedule B: Tax Sheltered Investments (RRSPs, RHOSPs, DPSPs, TFSAs, etc.)				
Financial Institution	In Name of	Description (RRSP, etc.)	Market Value (\$)	Pledged as Collateral? Yes <input type="checkbox"/> No <input type="checkbox"/>
TD	Peter Gossmann	RRSP	32,000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
Schedule C: Life Insurance (Individual and Group)				
Insurance Company	Beneficiary	Face Value (\$)	Policy Loans (\$)	Cash Surrender Value (\$)
Manulife	Andrea Gossmann	250,000		
Schedule D: Real Estate				
Primary Residence	Street Name and Number	City/Town	Province	
	5 Oakington Place	Mississauga	Ontario	
Title in Name of	% Ownership		Date Acquired (Month/Year)	
Andrea Gossmann	100		July 1999	
Purchase Price (\$)	Current Market Value (\$)	Name of Mortgage Lender	Mortgage Balance Outstanding (\$)	
258,000	980,000	RBC	285,000	
Other	Street Name and Number	City/Town	Province	
Title in Name of	% Ownership		Date Acquired (Month/Year)	
Purchase Price (\$)	Current Market Value (\$)	Name of Mortgage Lender	Mortgage Balance Outstanding (\$)	
Schedule E: Business Interests (List all businesses in which you have an ownership interest)				
Business Name	% Ownership	Industry	Since (Year)	Business Total Net Worth (\$)
Auctus Integrated Technologies Ltd.	100	Plastics	2004	Not operating
Schedule F: RBC Loans (Excluding Mortgages Listed in D Above)				
Type of Loan	Credit Limit (\$)	Outstanding Balance (\$)		
Line of credit	70,000	70,000		
Schedule G: Other Lender's Loans (Excluding Mortgages Listed in D Above)				
Lender's Name	Type of Loan	Credit Limit (\$)	Outstanding Balance (\$)	
Scotia Bank	car loan for travel trailer		18,000	

Declaration: I/we certify that all the information provided above and on any accompanying statements is to the best of my/our knowledge, true, complete and correct, and understand it will be used by Royal Bank of Canada ("you") to determine credit worthiness. The proceeds of the loan applied for will be used for business purposes and not for personal, family or household purposes. I/we acknowledge receipt of notice that from time to time reports about me/us may be obtained by you from credit reporting agencies. If you have my/our social insurance number, you may share it with credit reporting agencies as an aid to identify me/us. I/we further consent to you making any enquiries you deem necessary to reach a decision on any loan application, and consent to the disclosure at any time of any credit information about me/us to credit reporting agencies or to anyone with whom I/we have financial relations.

Signature: Date: January 26, 2018

Signature: _____

Date: _____



RBC Royal Bank

**PERSONAL STATEMENT OF AFFAIRS
(Business Loans)**

1,640,000 - ADNW

Please fill out the form, save, then print, sign and submit to Royal Bank as required.

Personal Information							
First Name	Middle Name	Last Name	Social Insurance #	Date of Birth			
Thomas	Frank	Lato	458049947	(Mo. 06 Day 19 Year 1957)			
Home Address		City/Town	Province	Postal Code			
6021 19TH AVE		Markham	ON	L3P3J3			
Home Phone #	Business Phone #	Residence Since (Year)	Own	Rent	Other	Marital Status	
416 388 3617	905 883 4343 x132	1992	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Married	
Employer Name, Address			Employer Phone #	Occupation	Since (Year)		
Plasticap 177 Crosby Ave. Richmond Hill ON			905 883 4343 x132	President	2007		
Spouse Information							
First Name	Middle Name	Last Name	Social Insurance #	Date of Birth			
Joanne	Rita	Lato		(Mo. Day Year)			
Employer Name, Address			Employer Phone #	Occupation	Since (Year)		
				Retired			
Financial Profile							
Assets	Amount (\$)	Liabilities	Amount (\$)				
Cash - RBC		Overdrafts					
Cash - Other Financial Institutions	\$90,000	Credit Cards					
Accounts/Loans Receivable		Loans - RBC (Schedule F)					
Marketable Securities (Schedule A)		Loans - Other Lenders (Schedule G)					
Tax Sheltered Investments (Schedule B)		Real Estate Loans (Schedule D)	\$800,000				
Life Insurance (Schedule C)		Other Obligations					
Real Estate (Schedule D)	\$3,900,000	(B) Total Liabilities	\$600,000				
Business Interests (Schedule E)		(C) Total Net Worth (A - B)	\$3,190,000				
Other Assets		Sundry Obligations: are you personally supporting contingent obligations not listed above (e.g. co-signer/endorser/guarantor)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>					
		If yes, provide details on amount, to whom and the nature of obligations:					
(A) Total Assets	\$3,990,000						
Most Recent Annual Income (from Notice of Assessment) and Annual Expenses							
Income	Amount (\$)	Expenses	Amount (\$)				
Salary, Wages, Bonuses, Commissions	\$100,000	Annual Mortgage Payments	\$58,000				
Investment Income		Property Taxes/Condo Fees					
Net Rental Income		Insurance Premiums					
Other Income		Other Loan Payments (Including Credit Cards)					
Spouse's Gross Income	\$60,000	Other Expenses (i.e. Spousal/Child Support, Child Care, etc.)					
Total Annual Income	\$160,000	Total Annual Expenses	\$58,000				
General Information (If you answer "Yes" to any of the questions below, please provide details)							
Have you ever had an asset repossessed?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Are you involved in any claims or lawsuits?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Have you ever declared bankruptcy?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Do you owe any back taxes?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Details:				
Note: If there is not enough space to list all securities/real estates/other investments owned by you in the schedules below, attach a detailed list to this document.							

Schedule A: Marketable Securities (Stocks & Bonds)

Financial Institution	In Name of	Description (Type of Security)	Market Value (\$)	Pledged as Collateral?
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>

Schedule B: Tax Sheltered Investments (RRSPs, RHOSPs, DPSPs, TFSAs, etc.)

Financial Institution	In Name of	Description (RRSP, etc.)	Market Value (\$)	Pledged as Collateral?
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>
				Yes <input type="checkbox"/> No <input type="checkbox"/>

Schedule C: Life Insurance (Individual and Group)

Insurance Company	Beneficiary	Face Value (\$)	Policy Loans (\$)	Cash Surrender Value (\$)

Schedule D: Real Estate

Primary Residence	Street Name and Number	City/Town	Province
	6021 19TH AVE	Markham	ON
Title in Name of Joanne Lato	% Ownership 100		Date Acquired (Month/Year) 1992
Purchase Price (\$) \$500,000	Current Market Value (\$) \$3,900,000	Name of Mortgage Lender	Mortgage Balance Outstanding (\$) \$800,000
Other	Street Name and Number	City/Town	Province
Title in Name of	% Ownership		Date Acquired (Month/Year)
Purchase Price (\$)	Current Market Value (\$)	Name of Mortgage Lender	Mortgage Balance Outstanding (\$)

Schedule E: Business Interests (List all businesses in which you have an ownership interest)

Business Name	% Ownership	Industry	Since (Year)	Business Total Net Worth (\$)

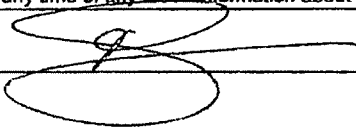
Schedule F: RBC Loans (Excluding Mortgages Listed in D Above)

Type of Loan	Credit Limit (\$)	Outstanding Balance (\$)

Schedule G: Other Lender's Loans (Excluding Mortgages Listed in D Above)

Lender's Name	Type of Loan	Credit Limit (\$)	Outstanding Balance (\$)

Declaration: I/we certify that all the information provided above and on any accompanying statements is to the best of my/our knowledge, true, complete and correct, and understand it will be used by Royal Bank of Canada ("you") to determine credit worthiness. The proceeds of the loan applied for will be used for business purposes and not for personal, family or household purposes. I/we acknowledge receipt of notice that from time to time reports about me/us may be obtained by you from credit reporting agencies. If you have my/our social insurance number, you may share it with credit reporting agencies as an aid to identify me/us. I/we further consent to you making any enquiries you deem necessary to reach a decision on any loan application, and consent to the disclosure at any time of any credit information about me/us to credit reporting agencies or to anyone with whom I/we have financial relations.

Signature:  Date: Jan 18/18

Signature: _____ Date: _____

This is Exhibit "F" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

RUN NUMBER : 319
RUN DATE : 2022/11/15
ID : 20221115121300.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(3144)

102

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 1731861 ONTARIO INC.

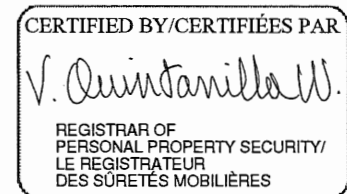
FILE CURRENCY : 14NOV 2022

ENQUIRY NUMBER 20221115121300.36 CONTAINS 4 PAGE(S), 2 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

DYE & DURHAM - ATTN K. DE COUTO - KAREN DE COUTO
199 BAY STREET SUITE 4610
TORONTO ON M5L 1E9

CONTINUED... 2



(crj6 05/2022)

Ontario 

RUN NUMBER : 319
RUN DATE : 2022/11/15
ID : 20221115121300.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(3145)

103

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1731861 ONTARIO INC.
FILE CURRENCY : 14NOV 2022

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
763686063

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20200714 1521 1590 7466	P PPSA	5

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1731861 ONTARIO INC.

04 ADDRESS 177 CROSBY AVENUE RICHMOND HILL ONTARIO CORPORATION NO. ON L4C 2R3

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

COLLATERAL CLASSIFICATION		MOTOR VEHICLE		AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER INCLUDED				
X	X	X	X	X			

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

12

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT DLA PIPER (CANADA) LLP - TORONTO (DARLINGTON)
17 ADDRESS 6000-100 KING STREET WEST TORONTO ON M5X 1E2

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 319
RUN DATE : 2022/11/15
ID : 20221115121300.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(3146)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1731861 ONTARIO INC.
FILE CURRENCY : 14NOV 2022

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
738258048

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
01 001 20180413 1437 1530 2331 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1731861 ONTARIO INC.

04 ADDRESS 177 CROSBY AVE RICHMOND HILL ONTARIO CORPORATION NO. ON L4C 2R3

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / ROYAL BANK OF CANADA
LIEN CLAIMANT

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X X X X

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING CANADIAN SECURITIES REGISTRATION SYSTEMS
AGENT

17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

RUN NUMBER : 319
RUN DATE : 2022/11/15
ID : 20221115121300.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(3147)

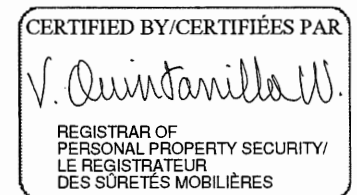
105

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1731861 ONTARIO INC.
FILE CURRENCY : 14NOV 2022

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
763686063	20200714	1521	1590	7466
738258048	20180413	1437	1530	2331

2 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(crj6 05/2022)

This is Exhibit "G" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

From: Chutani, Avichal (Avi)
Sent: Tuesday, September 20, 2022 4:26 PM
To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>
Cc: Sohi, Reena <reena.sohi@rbc.com>; 'Anirban Mukherjee' <anirban@ampcorp.ca>; 'Navin Bhagtani' <navin@ampcorp.ca>
Subject: RE: Plasticap

Hi Tom & Peter

In absence of any reporting, \$250 has been charged on the bank account for this week.

If the delay is due to reviewed financials being not ready, kindly send us the compilation engagement for now along with other annual reporting mentioned in my trail emails.

Thanks, Avi

From: Chutani, Avichal (Avi)
Sent: Monday, September 12, 2022 10:42 AM
To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>
Cc: Sohi, Reena <reena.sohi@rbc.com>; 'Anirban Mukherjee' <anirban@ampcorp.ca>; 'Navin Bhagtani' <navin@ampcorp.ca>
Subject: RE: Plasticap

Hi Tom / Peter

Good morning, hope you are doing well.

Please note that if the annual financial reporting is not received by the end of this week, a late reporting fee of \$250/week would be charged starting the week of Sept 19.

Also, we are yet to see an improvement in the account conduct, there are frequent excesses in the account and the operating line of credit is not moving at all, it is locked in.

Would appreciate if you could share your plan of action to address the issues highlighted above.

Thanks, Avi

From: Chutani, Avichal (Avi)
Sent: Thursday, August 18, 2022 11:38 AM
To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>
Cc: Sohi, Reena <reena.sohi@rbc.com>; 'Anirban Mukherjee' <anirban@ampcorp.ca>; Navin Bhagtani <navin@ampcorp.ca>
Subject: RE: Plasticap
Importance: High

Hi Tom and Peter

Here are the signed loan agreements for Plasticap and the annual financial reporting is clearly stated as "Review engagement", there is no scope of negotiation here, please discuss with your accountant accordingly.

Thanks, Avi

From: Anirban Mukherjee [<mailto:anirban@ampcorp.ca>]
Sent: Thursday, August 18, 2022 11:12 AM
To: Chutani, Avichal (Avi) <avichal.chutani@rbc.com>; Navin Bhagtani <navin@ampcorp.ca>
Cc: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>; Sohi, Reena <reena.sohi@rbc.com>
Subject: Re: Plasticap

[External]/[Externe]

Hi Avi,

Please see our answers below:

1. Review engagement financials of 1731861 ONTARIO INC. as on Mar 31, 2022 (NON-NEGOTIABLE)
We never provided Review Engagement FS and neither we will this time. Talk to previous Account Manager and sort this out.
2. Personal net worth statement for Thomas Lato and Peter Gossmann in RBC format attached. Will be provided
3. In-house / interim statements for the period April 2022-June 2022. We will provide however this was never asked for or provided till date

4. Most recent month end Aged receivable ; Aged Payable and Inventory listing This is part of monthly reporting and will be provided
5. Also please check the loan balances in your draft statements, they are incorrect. The client has 2 term loans with RBC (OS \$381M + \$463M) and a line of credit for \$1.25MM

They are not incorrect when we furnish the final ones that will have the detailed notes on this.

Thanks

Anirban

From: Chutani, Avichal (Avi) <avichal.chutani@rbc.com>
Sent: Thursday, August 18, 2022 11:04 AM
To: Navin Bhagtani <navin@ampcorp.ca>
Cc: Anirban Mukherjee <anirban@ampcorp.ca>; 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>; Sohi, Reena <reena.sohi@rbc.com>
Subject: RE: Plasticap

Hi Navin

Thanks for sending the 2021 draft statements, kindly note that the below items are required for the Annual credit renewal next week:

1. **Review engagement financials** of 1731861 ONTARIO INC. as on Mar 31, 2022 (NON-NEGOTIABLE)
2. Personal net worth statement for Thomas Lato and Peter Gossman in RBC format attached.
3. In-house / interim statements for the period April 2022-June 2022
4. Most recent month end Aged receivable ; Aged Payable and Inventory listing
5. Also please check the loan balances in your draft statements, they are incorrect. The client has 2 term loans with RBC (OS \$381M + \$463M) and a line of credit for \$1.25MM

Thanks, Avi

From: Navin Bhagtani [<mailto:navin@ampcorp.ca>]
Sent: Wednesday, August 17, 2022 7:31 PM
To: Chutani, Avichal (Avi) <avichal.chutani@rbc.com>
Cc: Anirban Mukherjee <anirban@ampcorp.ca>
Subject: Plasticap

[External]/[Externe]

Hi Avichal,

Pl find attached Interim financials of 1731861 Ontario Inc. O/A Plasticap for the year ending March 31, 2022.


Pl be noted that we will provide you with the full set of financials sometime in the next week.

Thanks,
Navin

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference. You may [unsubscribe](#) from promotional emails.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future. Vous pouvez vous [désinscrire](#) de la liste d'envoi de courriels promotionnels.

This is Exhibit "H" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



RBC Royal Bank

October 3, 2022

1731861 Ontario Inc.
Unit 11A
Concord ON L4K 2N2

Dear Sirs/Mesdames:

Your Credit Facilities with Royal Bank of Canada

The events surrounding COVID-19 are truly unprecedented and we appreciate the hardships and financial uncertainty that many of our clients are facing. RBC wants to help provide you with the support you need, and that includes immediate and long term relief for clients facing challenging circumstances due to the COVID-19 crisis. It is important that you contact us to discuss your options tailored to your specific circumstances.

We are writing with reference to your credit facilities as set out in the Credit Agreement dated December 31, 2020 and amended EOI dated February 9, 2022 ('the Agreement'), and all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. Our recent review reveals that you are in default of the following covenant(s) under the terms of the Agreement for the fiscal period ended March 31, 2022.

"REPORTING REQUIREMENTS

The Borrower will provide the following to the Bank:"

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end;
- b) monthly aged list of accounts receivable, aged list of accounts payable, listing of inventory, aged list of Private Insured Accounts Receivable indicating country of origin for each receivable and most recent credit approval listing from the insurer supported by a loss payable endorsement to or assignment of the applicable insurance policy and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end;
- c) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end."

According to our records, the Bank has yet to receive the aforementioned document(s).

We acknowledge the default stated above and your plan to remedy such default, on or before October 15, 2022.

*Registered trademark of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.


We reserve all rights arising out of the default and reserve the right to demand payment of borrowings outstanding under the credit facilities, if you do not remedy the default within the time period indicated above or in the event of other breaches of the Agreement.

If you have any questions about your credit facilities or would like clarification on any of the above matters, please contact us immediately at the contact number provided below.

Yours truly,

Per: Avichal Chutani
Senior Commercial Account Manager
Tel: 905 458 3159

This is Exhibit "I" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

From: Chutani, Avichal (Avi)
Sent: Tuesday, November 01, 2022 2:58 AM
To: 'Navin Bhagtani'
Cc: 'Anirban Mukherjee'; 'Tom Plasticap'; 'Peter Gossmann'
Subject: RE: Plasticap

Hi Navin

Awaiting your response here please.

Thanks, Avi

From: Chutani, Avichal (Avi)
Sent: Wednesday, October 19, 2022 12:50 PM
To: 'Navin Bhagtani'
Cc: Anirban Mukherjee ; 'Tom Plasticap' ; 'Peter Gossmann'
Subject: RE: Plasticap

Thanks Navin. Please make sure the client is copied on all our communications.

Also, please send me the below:

- 1) Interims
- 2) Aged AR/AP/inventory
- 3) Personal network statement in the format attached.

@ Tom / Peter – Please let me know a convenient time to chat today/tomorrow. Also if you can respond to Items 5 & 6.

Thanks, Avi

From: Navin Bhagtani [<mailto:navin@ampcorp.ca>]
Sent: Wednesday, October 19, 2022 10:43 AM
To: Chutani, Avichal (Avi) <avichal.chutani@rbc.com>
Cc: Sohi, Reena <reena.sohi@rbc.com>; Anirban Mukherjee <anirban@ampcorp.ca>
Subject: RE: Plasticap

[External]/[Externe]

Hi Avichal,

Pl find the following explanation to the clarification required:

1. Advance to suppliers of \$ 764,156 is towards payment to specific suppliers. Due to post pandemic the delivery of material is taking long time and after discussion with change in the supplier who is US based this advance is mandatory. This is required to avoid production bottleneck.
2. Machinery and equipment of \$ 2,363,769 is a carry forward amount from earlier years. No disposal took place in this year.
3. Utilities expense got merged with COGS to the extent of \$ 27,073.33.

4. Interest includes RBC Interest fees of \$ 76,956.14 and other interest cost on Personal Line of credit utilised for business purpose.

Point # 5 and 6 should be addressed by the client.

Thanks,

Navin Bhagtani
Accounting Manager



T 905 499-4535 Ext 125 | F 905 812-8889 www.ampcorp.ca

Do you need to print this email? Let's reduce our paper use.

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return email, and delete this message and any attachments from your system. Thank-you!

Information confidentielle: Le présent message, ainsi que tout fichier qui y est joint, est (sont) envoyé(s) à l'intention exclusive de son ou (ses) destinataire(s); il est de nature confidentielle et peut faire l'objet d'une information privilégiée. Nous avisons toute personne autre que le destinataire prévu que tout examen, réacheminement, impression, copie, distribution ou toute autre utilisation de ce message et tout document joint est (sont) strictement interdit(s). Si vous n'êtes pas le destinataire prévu, veuillez en aviser immédiatement l'expéditeur par retour de courriel et supprimer ce message et tout document joint de votre système. Merci!

From: Chutani, Avichal (Avi) <avichal.chutani@rbc.com>
Sent: October 16, 2022 11:48 PM
To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>
Cc: Sohi, Reena <reena.sohi@rbc.com>; Anirban Mukherjee <anirban@ampcorp.ca>; Navin Bhagtani <navin@ampcorp.ca>
Subject: RE: Plasticap

Hi Navin

Thanks for sending the compilation engagement. It looks like the statements were ready June 24, 2022 but only shared with us on Oct 11, 2022.

Below are the missing items and the clarifications required in the FS submitted:

Missing items:

1. In-house / interim financial statements
2. Personal networth statements for Tom Lato and Peter Gossman in the RBC format attached
3. Most recent month end Aged receivable ; Aged Payable and Inventory listing

Clarifications required:

1. What is the advance to suppliers of \$764,156, is there a change in the suppliers and their terms of payment causing this or a result of delayed payments to suppliers.
2. Please confirm what comprises of Machinery and equipment of \$2,363,769. As per client they only own the dies.
3. Could you breakdown the interest expenses of \$165,478
4. Why is utilities expense down from \$27K to \$1K in 2022.
5. Reason for lack of rotation in the operating line. Its been locked in for a long long time.
6. What is the plan of action to bring the operating line utilization down to more acceptable levels.

Thanks, Avi

From: Chutani, Avichal (Avi)

Sent: Tuesday, September 20, 2022 4:26 PM

To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>

Cc: Sohi, Reena <reena.sohi@rbc.com>; 'Anirban Mukherjee' <anirban@ampcorp.ca>; 'Navin Bhagtani' <navin@ampcorp.ca>

Subject: RE: Plasticap

Hi Tom & Peter

In absence of any reporting, \$250 has been charged on the bank account for this week.

If the delay is due to reviewed financials being not ready, kindly send us the compilation engagement for now along with other annual reporting mentioned in my trail emails.

Thanks, Avi

From: Chutani, Avichal (Avi)

Sent: Monday, September 12, 2022 10:42 AM

To: 'Tom Plasticap' <tlato@plasticap.com>; 'Peter Gossmann' <pgossmann@plasticap.com>

Cc: Sohi, Reena <reena.sohi@rbc.com>; 'Anirban Mukherjee' <anirban@ampcorp.ca>; 'Navin Bhagtani' <navin@ampcorp.ca>

Subject: RE: Plasticap

Hi Tom / Peter

Good morning, hope you are doing well.

Please note that if the annual financial reporting is not received by the end of this week, a late reporting fee of \$250/week would be charged starting the week of Sept 19.

This is Exhibit "J" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



RBC Royal Bank

November 8, 2022

1731861 Ontario Inc.
Unit 11A 8600 Keele St.
Concord ON L4K 2N2

Dear Sirs/Mesdames:

Your Credit Facilities with Royal Bank of Canada

We are writing with reference to your above credit facilities as set out in the Credit Agreement dated December 31, 2020 (the "Agreement").

Our recent review reveals that you are in default of the following covenant(s) under the terms of the Agreement for the fiscal period ended March 31, 2022.

"REPORTING REQUIREMENTS"

The Borrower will provide the following to the Bank:

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end.
- b) monthly aged list of accounts receivable, aged list of accounts payable, listing of inventory, aged list of Private Insured Accounts Receivable indicating country of origin for each receivable and most recent credit approval listing from the insurer supported by a loss payable endorsement to or assignment of the applicable insurance policy and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end."

According to our records, the Bank has yet to receive the aforementioned document(s) for the months of July 31, August 31, September 30, 2022

The default is not acceptable and we require you to remedy the foregoing default prior to November 15, 2022.

We retain all rights arising out of the default and reserve the right to demand payment of borrowings outstanding under the credit facilities if such default is not remedied by such date or if another breach of the Agreement should occur.

If you have any questions about your credit facilities or would like clarification of any of the above matters, please contact us immediately at the contact number provided below.

Yours truly,

Per: Avichal Chutani
Senior Commercial Account Manager
Tel: 437- 242 - 5885

*Registered trademark of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.

This is Exhibit "K" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



November 14, 2022

1731861 Ontario Inc
8600 Keele Street, Unit 11a
Concord, Ontario
L4K 2N2

Attention: Thomas Lato / Peter Gossmann

Re: Royal Bank of Canada ("the Bank")
1731861 Ontario Inc o/a Plasticap ("the Company")

It appears to the Bank that the Company is experiencing financial difficulties. The Bank's impression is based on :

- 1) the Company's apparent inability to meet the covenants and conditions which form part of the Company's agreement with the Bank;
- 2) the recent change in the Company's financial performance and/or condition;
- 3) the Company's apparent inability to pay its liabilities as they fall due;
- 4) Bank account falling into excess

To the extent these difficulties exist, the Company's risk profile has deteriorated. In light of this the Bank requires specialized expertise to deal with your account. Accordingly, management of your account has been re-assigned to:

Special Loans and Advisory Services

Attention: Jan Oros
20 King Street West, 2nd Floor
Toronto, Ontario
M5H 1C4

Phone: 416-974-5137
Email: jan.oros@rbc.com

Jan Oros will contact you directly in the near future at which time he will fully explain his role in managing your credit going forward.

As Mr. Oros now has responsibility for your account, all future enquiries and reporting requirements should be directed to his attention.

Due to the higher risk and additional administration now attached to your account the Bank will be reviewing the rates and fees being charged. You will be advised in writing of any changes being made.

Any costs incurred by the Bank, if required, on account of its professional advisors will be for the Company's account and will be charged to the Company's Current Account from time to time as noted in form 472 that forms part of your loan agreements. We will provide you with copies of these invoices upon request.

We remind you that notwithstanding excesses that may have been permitted in the past, your account(s) and/or loans are to continue to operate and repay as agreed and any cheques or debits presented on account(s) will be returned NSF, without notice to you, if such cheques and/or debits may cause an excess.

Please acknowledge this letter as indicated below and return a copy, by email, to Jan Oros at jan.oros@rbc.com.

Yours truly,


Avlehal Chutani

cc. Jan Oros

We acknowledge receipt of this letter.

Dated at _____ this _____ day of _____ 20

Borrower's Name here

Per _____

Name: _____

Position _____

This is Exhibit "L" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.



Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

From: Oros, Jan [mailto:jan.oros@rbc.com]
Sent: Thursday, November 17, 2022 6:33 PM
To: 'Peter Gossmann' <pgossmann@plasticap.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: Plasticap Meeting Summary and Information Requested
Importance: High

Hi Peter,

Thank you for taking the time to meet with me today.

The following is a summary of my understanding of our discussion today. Please confirm if the summary is accurate or provide further details/clarifications if needed.

- 177 Crosby Avenue was purchase by Tom/Company owned by Tom in and around 2004/2005. (please confirm purchasing entity)
- Plasticap Inc was sold via a receivership to 2072906 Ontario in 2005.
- In around 2007, 2072906 Ontario sold Plasticap to the now present owner 1731861 Ontario Inc. (“173”) owned 80-% Tom, 20%- Peter
- From 2005 to roughly 2018, sales were steady but profits were declining due to the ongoing increases in Hydro, you indicated hydro costs went from \$14,000/month to over \$60,000/month over that time until the final year you operated at 177 Crosby being end of 2018
- In roughly early 2019, Tom sold 177 Crosby

- Polycap LLC (majority owned by Tom & Peter) was started in 2018/2019 and 80% of the 173 assets were moved to Polycap LLC at that time located at 219 Joe Gillespie Drive, Lebanon, VA, the other 20% of assets roughly consisting of 2 production lines and 6 moulds were moved to Hawk Plastics at 5295 Burke Street, Oldcastle, Ontario (Peter to confirm this address), finished goods inventory is located at both Polycap and Hawk in roughly the same proportion
- 219 Joe Gillespie Drive is a new 80,000 sq/ft building owned by Greenfield Holdings which is owned by Tom and Peter, approximately \$800,000 is owing
- Tom & Peter also own Polymer Processing in both Canada and USA and they are located at the same address as Polycap in Virginia.
- 173 has bank accounts at TD (CEBA loan) and BMO but you note these accounts are not active, Polymer Processors also banks at BMO
- You have advised that Polycap LLC banks with FirstBank in Virginia and has a \$300,000 term loan with that lender, Polymer Processors banks with another bank in the USA whose name you could not recall but has no loans
- Polycap LLC's most recent financial statements prepared are for the year ending December 31, 2021
- Day to day bookkeeping is done by your bookkeeper, Cynthia, information she prepares/compiles is basically current and is sent to your external accountant Anirban Mukerjee who then files the info in the Bank's covarity system
- CRA priority payables outstanding for payroll/ HST is approximately \$100,000 presently

As discussed, the Bank will require some information from you to determine its next steps. We would like to be in receipt of the following by end of day Monday November 21, 2022:

1. Aged Accounts receivable and payable summaries directly from quickbooks as of October 31, 2022
2. Income statement and balance sheet as of October 31, 2022
3. Most recent bank statement for Plasticap's TD and BMO accounts
4. The year-end financial statements for Polycap LLC for the year ending December 31, 2021
5. Copy of most recent bank statement for Polycap LLC (FirstBank)
6. Sample of 2 recent invoices issued to Colgate, Lear and Evergreen

We would also like to receive the following information at your earliest opportunity, but no later than November 25, 2022:

- a. Current insurance binder to confirm coverages
- b. CRA MyAccount printout showing exact amount owing for payroll and HST and confirming if any returns are outstanding
- c. 6 month cash flow forecast
- d. Your proposed plan to address the line of credit not revolving and to pay down the debt
- e. Asset listing of assets moved to Hawk and Polycap
- f. Agreement you have with Hawk Plastics regarding equipment, moulds and the manufacturing of your inventory

As discussed today, the CRA arrears creates an issue with the security you granted to the Bank as CRA's deemed trust takes priority over the Bank's priority over the Company's assets when arrears balances are owed. We would also note that the \$100,000 owing should have been noted on the margin reporting which would have the effect of reducing the available borrowing limit to the Company. Only \$7,300 was noted on the May margin report.

Please also advise when access would be possible to arrange to view the Plasticap assets held at Hawk and Polycap LLC. We would be sending someone out that is familiar with this type of equipment to compile a listing of the assets for the Bank.

If you have any questions regarding the above, please let me know so we can arrange a time to discuss.

Regards,

Jan

From: Peter Gossmann [<mailto:pgossmann@plasticap.com>]
Sent: Tuesday, November 15, 2022 5:33 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Got it
Peter

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 5:11 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf

Hi Peter,

Just sending this email to confirm our discussion this afternoon that we are meeting on Thursday November 17 at 1pm at 8600 Keele Street, Unit 11a, Concord.

See you then.

Regards,

Jan

From: Peter Gossmann [<mailto:pgossmann@plasticap.com>]
Sent: Tuesday, November 15, 2022 12:29 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Hello Jan,

Thanks for your email. We can arrange to meet possibly Thursday. I don't believe Tom is able to meet in person yet, due to his surgery last Wednesday but I will call him shortly to find out. Perhaps Avi mentioned that I live in Windsor (about 3 hours away) so short notice meets do not work well for me. I am waiting for confirmation of another meeting in Toronto on Thursday so I will let you know shortly what time I can be there on Thursday.

Peter

416 402 2850

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 12:22 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter,

As noted by Avi below and per the attached, I will be your account manager going forward.

Can we arrange a meeting this Thursday to meet and discuss things? I have availability in the morning or afternoon so let me know your preference. I could also pop over this afternoon around 2pm if that is better for you? Let me know.

Regards,

Jan Oros | Senior Manager | Special Loans & Advisory Services | **Royal Bank of Canada** |
20 King Street West, 2nd Floor, Toronto, ON, Canada, M5H 1C4 | T.416-974-5137 | E-mail: jan.oros@rbc.com

From: Chutani, Avichal (Avi)
Sent: Tuesday, November 15, 2022 11:18 AM
To: 'Peter Gossmann' <pgossmann@plasticap.com>; 'Tom Plasticap' <tlato@plasticap.com>
Cc: Oros, Jan <jan.oros@rbc.com>
Subject: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter

Thanks for the time on the call this morning. Sorry to hear about Tom's health situation but I am glad that the surgery went well and here's wishing him a speedy recovery.

As I relayed on the phone and on the letter attached here, given the risks attached to Plasticap account, Jan Oros, my colleague from Special Loans and Advisory group will be your new point of contact / Relationship Manager and he will be in touch with you shortly.

If you can return a copy of this letter duly signed and dated.

Thanks again,
Avi

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

From: Peter Gossmann [mailto:pgossmann@plasticap.com]
Sent: Friday, November 18, 2022 3:26 PM

To: Oros, Jan ; Tom Plasticap

Subject: RE: Plasticap Meeting Summary and Information Requested

[External]/[Externe]

Hi Jan,

Here are my initial comments followed by a timeline for your requests.

- 1) I spoke with the external accountant this morning and I am wondering where the disconnect is. That said I am told we are now up to date on the margin report. End of September that was due. October will follow on time. Hoping someone at RBC can verify for you.
- 2) Molds and equipment at Hawk were recently transferred to Polycap and a series of other tools are scheduled to be sent to Hawk for Processing.
- 3) I am looking into the CRA and will get an answer from the accountant on Monday. It is less than I thought from what I'm told.

As discussed, the Bank will require some information from you to determine its next steps. We would like to be in receipt of the following by end of day Monday November 21, 2022:

1. Aged Accounts receivable and payable summaries directly from quickbooks as of October 31, 2022
 - a. **The external accountant has had our copy of QuickBooks for the last 8 weeks working on yearend. Our internal accountant should receive it back on Monday and will begin to reconcile accounts. This may take her about 1 week to complete.**
 - b. **I believe we can get this quicker from the external accountant and have it for Monday or Tuesday**
2. Income statement and balance sheet as of October 31, 2022
 - a. **Same as item 1**
3. Most recent bank statement for Plasticap's TD and BMO accounts
 - a. **This will be good to go for Monday.**
4. The year-end financial statements for Polycap LLC for the year ending December 31, 2021
 - a. **Also ok for Monday**
5. Copy of most recent bank statement for Polycap LLC (FirstBank)
 - a. **Also ok for Monday**
6. Sample of 2 recent invoices issued to Colgate, Lear and Evergreen
 - a. **Also ok for Monday**

We would also like to receive the following information at your earliest opportunity, but no later than November 25, 2022:

- a. Current insurance binder to confirm coverages
 - a. **Also ok for Monday.**
- b. CRA MyAccount printout showing exact amount owing for payroll and HST and confirming if any returns are outstanding
 - a. **Okay for Monday or Tuesday**
- c. 6 month cash flow forecast
 - a. **Should have this done for Friday the 25th**
- d. Your proposed plan to address the line of credit not revolving and to pay down the debt
 - a. **We will need two to three weeks to have a specific plan in place that we can firmly commit to**
- e. Asset listing of assets moved to Hawk and Polycap
 - a. **Okay for Tuesday or Wednesday**
- f. Agreement you have with Hawk Plastics regarding equipment, moulds and the manufacturing of your inventory
 - a. **Okay for Monday.**

Please also advise when access would be possible to arrange to view the Plasticap assets held at Hawk and Polycap LLC. We would be sending someone out that is familiar with this type of equipment to compile a listing of the assets for the Bank.

This can be scheduled any time once I provide the asset lists.

Thanks
Peter
416 402 2850

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 18, 2022 10:21 AM
To: [Peter Gossmann](#); [Tom Plasticap](#)
Subject: Re: Plasticap Meeting Summary and Information Requested

Thnxs Peter. I broke up the request in 2 bundles with the first batch being readily accessible and the more urgent.

The 2nd batch would understandably take more time so that can come in later in the week or date can be discussed if more time is needed.

Thnxs

From: "Peter Gossmann" <pgossmann@plasticap.com>
Subject: Plasticap Meeting Summary and Information Requested
Date: 18 November 2022 09:45
To: "Oros, Jan" <jan.oros@rbc.com>, "Tom Plasticap" <tlato@plasticap.com>

[External]/[Externe]

Hello Jan,
Thank for your email. I will work on a timeline today to gather everything requested below. I will be back to you later today with that. I need to work with all our people on this and get commitments as to timing.
Peter
4716 402 2850

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 17, 2022 6:33 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: Plasticap Meeting Summary and Information Requested
Importance: High

Hi Peter,

Thank you for taking the time to meet with me today.

The following is a summary of my understanding of our discussion today. Please confirm if the summary is accurate or provide further details/clarifications if needed.

- 177 Crosby Avenue was purchase by Tom/Company owned by Tom in and around 2004/2005. (please confirm purchasing entity)
- Plasticap Inc was sold via a receivership to 2072906 Ontario in 2005.
- In around 2007, 2072906 Ontario sold Plasticap to the now present owner 1731861 Ontario Inc. ("173") owned 80-% Tom, 20%- Peter
- From 2005 to roughly 2018, sales were steady but profits were declining due to the ongoing increases in Hydro, you indicated hydro costs went from \$14,000/month to over \$60,000/month over that time until the final year you operated at 177 Crosby being end of 2018
- In roughly early 2019, Tom sold 177 Crosby
- Polycap LLC (majority owned by Tom & Peter) was started in 2018/2019 and 80% of the 173 assets were moved to Polycap LLC at that time located at 219 Joe Gillespie Drive, Lebanon, VA, the other 20% of assets roughly consisting of 2 production lines and 6 moulds were moved to Hawk Plastics at 5295 Burke Street, Oldcastle, Ontario (Peter to confirm this address), finished goods inventory is located at both Polycap and Hawk in roughly the same proportion
- 219 Joe Gillespie Drive is a new 80,000 sq/ft building owned by Greenfield Holdings which is owned by Tom and Peter, approximately \$800,000 is owing
- Tom & Peter also own Polymer Processing in both Canada and USA and they are located at the same address as Polycap in Virginia.
- 173 has bank accounts at TD (CEBA loan) and BMO but you note these accounts are not active, Polymer Processors also banks at BMO
- You have advised that Polycap LLC banks with FirstBank in Virginia and has a \$300,000 term loan with that lender, Polymer Processors banks with another bank in the USA whose name you could not recall but has no loans
- Polycap LLC's most recent financial statements prepared are for the year ending December 31, 2021
- Day to day bookkeeping is done by your bookkeeper, Cynthia, information she prepares/compiles is basically current and is sent to your external accountant Anirban Mukerjee who then files the info in the Bank's covarity system
- CRA priority payables outstanding for payroll/ HST is approximately \$100,000 presently

As discussed, the Bank will require some information from you to determine its next steps. We would like to be in receipt of the following by end of day Monday November 21, 2022:

7. Aged Accounts receivable and payable summaries directly from quickbooks as of October 31, 2022
8. Income statement and balance sheet as of October 31, 2022
9. Most recent bank statement for Plasticap's TD and BMO accounts
10. The year-end financial statements for Polycap LLC for the year ending December 31, 2021
11. Copy of most recent bank statement for Polycap LLC (FirstBank)
12. Sample of 2 recent invoices issued to Colgate, Lear and Evergreen

We would also like to receive the following information at your earliest opportunity, but no later than November 25, 2022:

- g. Current insurance binder to confirm coverages
- h. CRA MyAccount printout showing exact amount owing for payroll and HST and confirming if any returns are outstanding
- i. 6 month cash flow forecast
- j. Your proposed plan to address the line of credit not revolving and to pay down the debt
- k. Asset listing of assets moved to Hawk and Polycap
- l. Agreement you have with Hawk Plastics regarding equipment, moulds and the manufacturing of your inventory

As discussed today, the CRA arrears creates an issue with the security you granted to the Bank as CRA's deemed trust takes priority over the Bank's priority over the Company's assets when arrears balances are owed. We would also note that the \$100,000 owing should have been noted on the margin reporting which would have the effect of reducing the available borrowing limit to the Company. Only \$7,300 was noted on the May margin report.

Please also advise when access would be possible to arrange to view the Plasticap assets held at Hawk and Polycap LLC. We would be sending someone out that is familiar with this type of equipment to compile a listing of the assets for the Bank.

If you have any questions regarding the above, please let me know so we can arrange a time to discuss.

Regards,

Jan

From: Peter Gossmann [mailto:pgossmann@plasticap.com]
Sent: Tuesday, November 15, 2022 5:33 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Got it
 Peter

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 5:11 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf

Hi Peter,

Just sending this email to confirm our discussion this afternoon that we are meeting on Thursday November 17 at 1pm at 8600 Keele Street, Unit 11a, Concord.

See you then.

Regards,

Jan

From: Peter Gossmann [<mailto:pgossmann@plasticap.com>]
Sent: Tuesday, November 15, 2022 12:29 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Hello Jan,

Thanks for your email. We can arrange to meet possibly Thursday. I don't believe Tom is able to meet in person yet, due to his surgery last Wednesday but I will call him shortly to find out. Perhaps Avi mentioned that I live in Windsor (about 3 hours away) so short notice meets do not work well for me. I am waiting for confirmation of another meeting in Toronto on Thursday so I will let you know shortly what time I can be there on Thursday.

Peter

416 402 2850

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 12:22 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter,

As noted by Avi below and per the attached, I will be your account manager going forward.

Can we arrange a meeting this Thursday to meet and discuss things? I have availability in the morning or afternoon so let me know your preference. I could also pop over this afternoon around 2pm if that is better for you? Let me know.

Regards,

Jan Oros | Senior Manager | Special Loans & Advisory Services | **Royal Bank of Canada** |
20 King Street West, 2nd Floor, Toronto, ON, Canada, M5H 1C4 | T.416-974-5137 | E-mail:
jan.oros@rbc.com

From: Chutani, Avichal (Avi)
Sent: Tuesday, November 15, 2022 11:18 AM
To: 'Peter Gossmann' <pgossmann@plasticap.com>; 'Tom Plasticap' <tlato@plasticap.com>
Cc: Oros, Jan <jan.oros@rbc.com>
Subject: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter

Thanks for the time on the call this morning. Sorry to hear about Tom's health situation but I am glad that the surgery went well and here's wishing him a speedy recovery.

As I relayed on the phone and on the letter attached here, given the risks attached to Plasticap account, Jan Oros, my colleague from Special Loans and Advisory group will be your new point of contact / Relationship Manager and he will be in touch with you shortly.

If you can return a copy of this letter duly signed and dated.

Thanks again,
Avi

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

This is Exhibit "M" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

From: Navin Bhagtani [mailto:navin@ampcorp.ca]
Sent: Friday, November 25, 2022 11:43 AM
To: Oros, Jan <jan.oros@rbc.com>
Cc: Anirban Mukherjee <anirban@ampcorp.ca>
Subject: FW: Plasticap Meeting Summary and Information Requested

[External]/[Externe]

Hi Jan,

PI find enclosed Bank statements of Plasticap for the month of October 2022 received from client.
PI be noted that we will upload AR, AP and Inventory till October 2022 by the end of the day.

Rest documents will follow.

Thanks,

Navin Bhagtani
Accounting Manager



T 905 499-4535 Ext 125 | F 905 812-8889 www.ampcorp.ca

Do you need to print this email? Let's reduce our paper use.

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return email, and delete this message and any attachments from your system. Thank-you!

Information confidentielle: Le présent message, ainsi que tout fichier qui y est joint, est (sont) envoyé(s) à l'intention exclusive de son ou (ses) destinataire(s); il est de nature confidentielle et peut faire l'objet d'une information privilégiée. Nous avisons toute personne autre que le destinataire prévu que tout examen, réacheminement, impression, copie, distribution ou toute autre utilisation de ce message et tout document joint est (sont) strictement interdit(s). Si vous n'êtes pas le destinataire prévu, veuillez en aviser immédiatement l'expéditeur par retour de courriel et supprimer ce message et tout document joint de votre système. Merci!

From: Peter Gossmann
Sent: November 18, 2022 11:01 AM
To: Navin Bhagtani
Subject: FW: Plasticap Meeting Summary and Information Requested

Sent from [Mail](#) for Windows

From: [Peter Gossmann](#)
Sent: November 18, 2022 9:37 AM
To: [Anirban Mukherjee](#)
Subject: FW: Plasticap Meeting Summary and Information Requested

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 17, 2022 6:33 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: Plasticap Meeting Summary and Information Requested
Importance: High

Hi Peter,

Thank you for taking the time to meet with me today.

The following is a summary of my understanding of our discussion today. Please confirm if the summary is accurate or provide further details/clarifications if needed.

- 177 Crosby Avenue was purchase by Tom/Company owned by Tom in and around 2004/2005. (please confirm purchasing entity)
- Plasticap Inc was sold via a receivership to 2072906 Ontario in 2005.
- In around 2007, 2072906 Ontario sold Plasticap to the now present owner 1731861 Ontario Inc. ("173") owned 80-% Tom, 20%- Peter
- From 2005 to roughly 2018, sales were steady but profits were declining due to the ongoing increases in Hydro, you indicated hydro costs went from \$14,000/month to over \$60,000/month over that time until the final year you operated at 177 Crosby being end of 2018
- In roughly early 2019, Tom sold 177 Crosby
- Polycap LLC (majority owned by Tom & Peter) was started in 2018/2019 and 80% of the 173 assets were moved to Polycap LLC at that time located at 219 Joe Gillespie Drive, Lebanon, VA, the other 20% of assets roughly consisting of 2 production lines and 6 moulds were moved to Hawk Plastics at 5295 Burke Street, Oldcastle, Ontario (Peter to confirm this address), finished goods inventory is located at both Polycap and Hawk in roughly the same proportion
- 219 Joe Gillespie Drive is a new 80,000 sq/ft building owned by Greenfield Holdings which is owned by Tom and Peter, approximately \$800,000 is owing
- Tom & Peter also own Polymer Processing in both Canada and USA and they are located at the same address as Polycap in Virginia.
- 173 has bank accounts at TD (CEBA loan) and BMO but you note these accounts are not active, Polymer Processors also banks at BMO
- You have advised that Polycap LLC banks with FirstBank in Virginia and has a \$300,000 term loan with that lender, Polymer Processors banks with another bank in the USA whose name you could not recall but has no loans
- Polycap LLC's most recent financial statements prepared are for the year ending December 31, 2021
- Day to day bookkeeping is done by your bookkeeper, Cynthia, information she prepares/compiles is basically current and is sent to your external accountant Anirban Mukerjee who then files the info in the Bank's covarity system
- CRA priority payables outstanding for payroll/ HST is approximately \$100,000 presently

As discussed, the Bank will require some information from you to determine its next steps. We would like to be in receipt of the following by end of day Monday November 21, 2022:

1. Aged Accounts receivable and payable summaries directly from quickbooks as of October 31, 2022
2. Income statement and balance sheet as of October 31, 2022
3. Most recent bank statement for Plasticap's TD and BMO accounts
4. The year-end financial statements for Polycap LLC for the year ending December 31, 2021
5. Copy of most recent bank statement for Polycap LLC (FirstBank)
6. Sample of 2 recent invoices issued to Colgate, Lear and Evergreen

We would also like to receive the following information at your earliest opportunity, but no later than November 25, 2022:

- a. Current insurance binder to confirm coverages
- b. CRA MyAccount printout showing exact amount owing for payroll and HST and confirming if any returns are outstanding
- c. 6 month cash flow forecast
- d. Your proposed plan to address the line of credit not revolving and to pay down the debt
- e. Asset listing of assets moved to Hawk and Polycap
- f. Agreement you have with Hawk Plastics regarding equipment, moulds and the manufacturing of your inventory

As discussed today, the CRA arrears creates an issue with the security you granted to the Bank as CRA's deemed trust takes priority over the Bank's priority over the Company's assets when arrears balances are owed. We would also note that the \$100,000 owing should have been noted on the margin reporting which would have the effect of reducing the available borrowing limit to the Company. Only \$7,300 was noted on the May margin report.

Please also advise when access would be possible to arrange to view the Plasticap assets held at Hawk and Polycap LLC. We would be sending someone out that is familiar with this type of equipment to compile a listing of the assets for the Bank.

If you have any questions regarding the above, please let me know so we can arrange a time to discuss.

Regards,

Jan

From: Peter Gossmann [<mailto:pgossmann@plasticap.com>]
Sent: Tuesday, November 15, 2022 5:33 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Got it
Peter

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 5:11 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf

Hi Peter,

Just sending this email to confirm our discussion this afternoon that we are meeting on Thursday November 17 at 1pm at 8600 Keele Street, Unit 11a, Concord.

See you then.

Regards,

Jan

From: Peter Gossmann [<mailto:pgossmann@plasticap.com>]
Sent: Tuesday, November 15, 2022 12:29 PM
To: Oros, Jan <jan.oros@rbc.com>; 'Tom Plasticap' <tlato@plasticap.com>
Subject: RE: Plasticap_SLAS transition.pdf

[External]/[Externe]

Hello Jan,

Thanks for your email. We can arrange to meet possibly Thursday. I don't believe Tom is able to meet in person yet, due to his surgery last Wednesday but I will call him shortly to find out. Perhaps Avi mentioned that I live in Windsor (about 3 hours away) so short notice meets do not work well for me. I am waiting for confirmation of another meeting in Toronto on Thursday so I will let you know shortly what time I can be there on Thursday.

Peter

416 402 2850

Sent from [Mail](#) for Windows

From: [Oros, Jan](#)
Sent: November 15, 2022 12:22 PM
To: '[Peter Gossmann](#)'; '[Tom Plasticap](#)'
Subject: RE: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter,

As noted by Avi below and per the attached, I will be your account manager going forward.

Can we arrange a meeting this Thursday to meet and discuss things? I have availability in the morning or afternoon so let me know your preference. I could also pop over this afternoon around 2pm if that is better for you? Let me know.

Regards,

Jan Oros | Senior Manager | Special Loans & Advisory Services | **Royal Bank of Canada** |
20 King Street West, 2nd Floor, Toronto, ON, Canada, M5H 1C4 | T.416-974-5137 | E-mail: jan.oros@rbc.com

From: Chutani, Avichal (Avi)
Sent: Tuesday, November 15, 2022 11:18 AM
To: 'Peter Gossmann' <pgossmann@plasticap.com>; 'Tom Plasticap' <tlato@plasticap.com>
Cc: Oros, Jan <jan.oros@rbc.com>
Subject: Plasticap_SLAS transition.pdf
Importance: High

Hi Peter

Thanks for the time on the call this morning. Sorry to hear about Tom's health situation but I am glad that the surgery went well and here's wishing him a speedy recovery.

As I relayed on the phone and on the letter attached here, given the risks attached to Plasticap account, Jan Oros, my colleague from Special Loans and Advisory group will be your new point of contact / Relationship Manager and he will be in touch with you shortly.

If you can return a copy of this letter duly signed and dated.

Thanks again,
Avi

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

Other 1 USD

142

3462 4773-786

The current balance shown is as of today's date. Please report any items that do not match your records.

Account Balance: \$63.00

Account No: 4773-786

Available Funds: \$63.00 

Financial Institution No: 001 

Funds on Hold: \$0.00 

Branch Translt No: 34622 

Funds on Hold: \$0.00

Transaction History

View transactions by selecting a time period or date range, or filter your results by entering a description.

View: **or show from:** **to:**

Filter description: **Submit**

Transaction Date	Code	Description	Debit	Credit	Balance
		Balance Forward			\$99.68
Oct 31, 2022	SC	FIXED CHARGE \$6.00	\$6.00		\$93.68

Account Activity

[Help](#) | [Print](#)

Account: TD EVERY DAY C BUSINESS PLAN - 5034740 \$50.52

Current Balance **Available Balance** [Direct deposit form \(PDF\)](#)
\$50.52 **\$50.52**

Balance Date: Nov 21, 2022

View [30 days](#) | [60 days](#) | [90 days](#) | [120 days](#)

Search by Month (up to 18 months)

Month Year

From To

Your transactions for **Oct 2022**

Date ↑	Transaction Description ⇅	Withdrawals ⇅	Deposits ⇅	Balance
Oct 31, 2022	OVERDRAFT INTEREST	0.03		(\$48.64)
Oct 31, 2022	PAPER STMT FEE	3.00		(\$48.61)
Oct 31, 2022	MONTHLY PLAN FEE	72.00		(\$45.61)
Oct 27, 2022	View Cheque CHQ# 14354-0147705416	700.00		\$26.39
Oct 27, 2022	View more E-TRANSFER ***t3U		600.00	\$726.39
Oct 03, 2022	View Cheque CHQ# 14356-2143349431	7,916.67		\$126.39
Oct 03, 2022	View Cheque CHQ# 14368-2143349416	4,166.67		\$8,043.06
Oct 03, 2022	GC 3700-DEPOSIT		3,200.00	\$12,209.73
Oct 03, 2022	221003S9732000WIRE		8,982.50	\$9,009.73
Total :		\$12,858.37	\$12,782.50	

Microsoft Money

All transactions to the close of the previous BUSINESS day will be downloaded. [View supported versions of the software downloads.](#)

Legal Notes

[Print](#)



Bank & Trust Company

The Bank That Puts You First.

[Online Banking Log-in](#)

Date 10/31/22 Page 1
 Primary Account 10029957
 C 31 Enclosures 2

Polycap LLC
 219 Joe Gillespie Dr
 Lebanon VA 24266

CHECKING ACCOUNTS

Business Checking		Number of Enclosures	2
Account Number	10029957	Statement Dates	10/03/22 thru 10/31/22
Previous Balance	270,529.19-	Days in the Statement Period	29
6 Deposits/Credits	116,441.53	Average Ledger	205,720.43-
2 Checks/Debits	52.80	Average Collected	207,145.24-
Service Charge	.00		
Interest Paid	.00		
Ending Balance	154,140.46-		

DEPOSITS AND ADDITIONS

Date	Description	Amount
10/03	Expenses TricorBraun Inc CCD 611875	24,591.00
10/11	32129 CUBEPACKAGINGSOL CCD Polycap LLC	94.65
10/19	EDI PAYMNT COLGATE 9437 CTX ISA*00* *00* *ZZ*CITIBANK *ZZ*COLGTE MX-ACH *221018*1838*U*00200* 095901340*0*P*:\ ST*820*000000196\ BPR*X*75936.76*C*ACH*CTX*01*03 1100209*DA*38549437***01*05140 4464*DA*10029957*20221019\ TRN*1*US0121000169192\ REF*TN*US01210001\ REF*GX*09590134000000151\ DTM*009*20221018\ N1*PR*Colgate Palmoliv\ N1*PE*PolycapLLC\ ENT*1*****60*1004612822\ RMR*IV*202209-SMI**15808.38*15 808.38\ DTM*003*20220930\ RMR*IV*202209-SMI**1466.87*146 6.87\ DTM*003*20220930\ RMR*IV*202209-SMI***264.31\ DTM*003*20220927\ RMR*IV*202209-SMI**273.01*273. 01\ DTM*003*20220926\ 	75,936.76



Bank & Trust Company

The Bank That Puts You First.

[Online Banking Log-in](#)

Date 10/31/22
Primary Account
Enclosures

Page 2
10029957
2

Polycap LLC
219 Joe Gillespie Dr
Lebanon VA 24266

Business Checking

10029957 (Continued)

DEPOSITS AND ADDITIONS

Date	Description	Amount
	RMR*IV*202209-SMI**3579.8*3579.8\ DTM*003*20220925\ RMR*IV*202209-SMI**4726.63*4726.63\ DTM*003*20220924\ RMR*IV*202209-SMI**6723.52*6723.52\ DTM*003*20220923\ RMR*IV*202209-SMI**5058.78*5058.78\ DTM*003*20220922\ RMR*IV*202209-SMI**6002.16*6002.16\ DTM*003*20220921\ RMR*IV*202209-SMI**1422.21*1422.21\ DTM*003*20220920\ RMR*IV*202209-SMI**2924.38*2924.38\ DTM*003*20220919\ RMR*IV*202209-SMI**3637.47*3637.47\ DTM*003*20220918\ RMR*IV*202209-SMI**2200.03*2200.03\ DTM*003*20220918\ RMR*IV*202209-SMI**2984.39*2984.39\ DTM*003*20220916\ RMR*IV*202209-SMI**4075.33*4075.33\ DTM*003*20220915\ RMR*IV*202209-SMI**2795.39*2795.39\ DTM*003*20220914\ RMR*IV*202209-SMI**1532.6*1532.6\ DTM*003*20220913\ RMR*IV*202209-SMI**112.09*112.09	



**Bank
& Trust Company**
The Bank That Puts You First.

[Online Banking Log-in](#)

Date 10/31/22
Primary Account
Enclosures

Page 3
10029957
2

Polycap LLC
219 Joe Gillespie Dr
Lebanon VA 24266

Business Checking 10029957 (Continued)

DEPOSITS AND ADDITIONS

Date	Description	Amount
	09\ DTM*003*20220912\ RMR*IV*202209-SMI***1208.78\ DTM*003*20220911\ RMR*IV*202209-SMI**863.48*863.48\ DTM*003*20220908\ RMR*IV*202209-SMI**2815.94*2815.94\ DTM*003*20220907\ RMR*IV*202209-SMI**751.03*751.03\ DTM*003*20220906\ RMR*IV*202209-SMI**662.39*662.39\ DTM*003*20220905\ RMR*IV*202209-SMI**1674.94*1674.94\ DTM*003*20220904\ RMR*IV*202209-SMI**1344.48*1344.48\ DTM*003*20220903\ RMR*IV*202209-SMI**54.63*54.63\ \ DTM*003*20220902\ RMR*IV*202209-SMI**3919.92*3919.92\ DTM*003*20220901\ SE*64*000000196\ 10/19 Deposit 2,335.12 10/21 32394 CUBEPACKAGINGSOL 489.20 CCD Polycap LLC 10/21 Deposit 12,994.80	

WITHDRAWALS AND DEDUCTIONS

Date	Description	Amount
10/03	Int Bnking ACH items	7.80-
10/03	Int Bnking ACH batch	45.00-

DAILY BALANCE INFORMATION

Date	Balance	Date	Balance	Date	Balance
10/03	245,990.99-	10/11	245,896.34-	10/19	167,624.46-



Bank & Trust Company

The Bank That Puts You First.

[Online Banking Log-in](#)

Date 10/31/22
Primary Account
Enclosures

Page 4
10029957
2

Polycap LLC
219 Joe Gillespie Dr
Lebanon VA 24266

Business Checking

10029957 (Continued)

DAILY BALANCE INFORMATION

Date	Balance
10/21	154,140.46-

Credit

Bank: The First Bank & Trust Co
Branch #: 1
Branch Name: West Lebanon
Teller ID: W34HLT1
Drawer #: 3
Trans #: 59
Misc: Txn DDA Deposit,

DDA Deposit

Date/Time: 10/19/2022 4 12 PM
Workstation: 7263T13
HIN #: 832701030000185
Owner: Polycap LLC

Credit

Bank: The First Bank & Trust Co
Branch #: 1
Branch Name: West Lebanon
Teller ID: W34MBD1
Drawer #: 2
Trans #: 74
Misc: Txn DDA Deposit,

DDA Deposit

Date/Time: 10/21/2022 4 20 PM
Workstation: 7263T13
HIN #: 832901030000233
Owner: Polycap LLC

SUBSTITUTE IMAGE / VIRTUAL DOCUMENT

SUBSTITUTE IMAGE / VIRTUAL DOCUMENT

AUXILIARY	R/T	ACCOUNT	PC/TC	AMOUNT
.	5408-0011	10029957	20	\$2,335.12

Deposit Date: 10/19 Amount: \$2,335.12

AUXILIARY	R/T	ACCOUNT	PC/TC	AMOUNT
.	5408-0011	10029957	20	\$12,994.80

Deposit Date: 10/21 Amount: \$12,994.80

Change of Name or Address Request

Please indicate correct name and address as you wish it to appear on our records:

Name	City, State, Zip	Mail To: First Bank & Trust Attn: Customer Operations P.O. Box 1000 Abingdon, VA 24212-1000 Phone: 276-623-2265	
Second Name (If Joint Account)	Telephone		Social Security #
Street Address	Signature of Account Holder(s)		
Cut here and return to the address above			

Step 1
 In your checkbook, make the following entries so that all transactions are recorded on both your records and the Bank's

Add
 Any deposits/credits shown on this statement but not in your checkbook.

Subtract
 Any withdrawals/debits on this statement but not entered in your checkbook.

Step 2
 List deposits not on your statement.

Date	Amount
Total	

Step 3
 List checks outstanding.

Check Number	Amount
Total	

Step 4
 Reconcile your account:

1. Bank statement balance.	\$ _____
2. Total amount of deposits not shown on statement.	\$ _____
3. Add line 1 and 2.	\$ _____
4. Total amount of checks outstanding	\$ _____
5. Subtract line 4 from line 3	\$ _____

Line 5 must be equal to your checkbook balance


Attention Telephone Banking Customers: On Wednesday, November 18th, we will be enhancing First Bank and Trust's telephone banking system. You can still enjoy all the current features plus new capabilities, including speech recognition and greater access to accounts and information – including loans. Please note that you will need to re-establish your PIN the first time you call the enhanced system. Learn more about these upgrades and find the new telephone banking phone number at www.firstbank.com.

Electronic Services Information (for Consumer Accounts Only)
 In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed above as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
 - Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
 - Tell us the dollar amount of the suspected error.
- we will investigate your complaint and correct any error promptly. If we take more than 10 days to do this, we will credit your account for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.



This is Exhibit "N" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V

**MINDEN GROSS LLP****BARRISTERS & SOLICITORS**

145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

DIRECT DIAL 416-369-4115
E-MAIL rmoses@mindengross.com
FILE 4130784
NUMBER

November 28, 2022

**PERSONAL & CONFIDENTIAL
VIA REGISTERED MAIL AND ORDINARY MAIL
AND EMAIL (tlato@plasticap.com; pgossmann@plasticap.com)**

1731861 Ontario Inc. operating as Plasticap
8600 Keele Street, Unit 11A
Concord ON L4K 2N2

Attention: Thomas F. Lato and Peter J. Gossmann

Dear Sirs:

Re: Royal Bank of Canada ("Bank") and 1731861 Ontario Inc. operating as Plasticap ("Company")

We have been retained by the Bank in respect of the indebtedness owing to it by the Company.

As you are no doubt aware, the indebtedness owing by the Company to the Bank in respect of a revolving demand facility and credit card facilities are repayable on demand, and we have been advised by the Bank that as at November 25, 2022 the Company is indebted to it in the following amounts:

1. in respect of a revolving demand facility, in the amount of \$1,253,097.32, comprising principal in the amount of \$1,245,000.00 and accrued interest to and including November 25, 2022 in the amount of \$8,097.32. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 2.00% per annum. The per diem amount on the aforesaid principal amount, given the Bank's current prime rate, is \$271.17; and
2. in respect of Visa account number ending in "3654", in the amount of US\$40,583.59 and in respect of Visa account numbers ending in "0070", "0104" and "3698", in the amounts of CDN\$29,544.82, CDN\$9,559.76 and CDN\$5,207.35 respectively, as at November 25, 2022. Interest continues to accrue on the aforesaid amount at the rate in effect from time to time in accordance with your Visa arrangements with the Bank.



On behalf of the Bank, we hereby advise you that the right of the Company to make any further borrowings under its agreement(s) with the Bank, and the obligation of the Bank to provide such borrowings, is hereby terminated and the indebtedness owing to the Bank by the Company expressed above is hereby declared to be immediately due and payable. Accordingly, on behalf of the Bank, we hereby formally make demand upon the Company for the payment by no later than December 8, 2022 of the amounts expressed above and all interest accruing thereon up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a scale as between a solicitor and his/her own client.

In the event payment is not made as requested, we must advise you that the Bank reserves its rights to take such further steps as are necessary to recover the indebtedness and liabilities owing by the Company to the Bank, including, without limitation, the appointment of a receiver and manager of the property, assets and undertaking of the Company.

We further advise the Company that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to December 8, 2022, without further notice to you if the Bank becomes aware of any matter which may impair its security. In addition, the Bank expressly reserves its rights not to make further advances to you or to honour any cheques drawn on the accounts maintained by you with the Bank. However, in the event the Bank, in its discretion, makes such advances or honours such cheques, such conduct shall not extend the time to make payment as set out herein or impose any obligation on the Bank to make further advances or honour further cheques and any additional indebtedness arising therefrom shall be immediately repayable to the Bank.

We further advise you that your Visa card privileges in respect of account numbers ending in "3654", "0070", "0104" and "3698" will be cancelled effective as at the end of business on December 8, 2022. You will not be entitled thereafter to charge this card with any debt or obligation. Please cut all cards relating to this account in half and return them to us immediately.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act (Canada)*.



If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,
MINDEN GROSS LLP
Per:

R. Moses

Rachel Moses

cc: Jan Oros, Senior Manager, Special Loans and Advisory Services, Royal Bank of Canada

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)
SECTION 244**

**PERSONAL & CONFIDENTIAL
REGISTERED MAIL AND ORDINARY MAIL**

TO: **1731861 ONTARIO INC. operating as PLASTICAP**, an insolvent person

TAKE NOTICE THAT:

1. Royal Bank of Canada, a secured creditor, intends to enforce its security on the insolvent person's property described below:

all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.

2. The security that is to be enforced is in the form of a General Security Agreement dated July 26, 2020.
3. The total amount of indebtedness secured by the security as at November 25, 2022 is US\$40,583.59 and CDN\$1,297,409.25.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 28th day of November, 2022.

ROYAL BANK OF CANADA
by its solicitors, MINDEN GROSS LLP

Per: *R. Moses*
Rachel Moses



**MINDEN GROSS LLP
BARRISTERS & SOLICITORS**

145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
TEL 416.362.3711 FAX 416.864.9223
www.mindengross.com

DIRECT DIAL 416-369-4115
E-MAIL rmoses@mindengross.com
FILE 4130784
NUMBER

November 28, 2022

**PERSONAL AND CONFIDENTIAL
VIA REGISTERED MAIL AND ORDINARY MAIL
AND EMAIL (pgossmann@plasticap.com)**

Peter J. Gossmann
5 Oakington Place
Mississauga ON L5N 3V9

Dear Sir:

Re: Royal Bank of Canada ("Bank") and 1731861 Ontario Inc. operating as Plasticap ("Company")

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under a guarantee and postponement of claim dated July 26, 2020 limited to the sum of \$1,120,000.00.

As at November 25, 2022, the Company is indebted to the Bank in the following amounts:

1. in respect of a revolving demand facility, in the amount of \$1,253,097.32, comprising principal in the amount of \$1,245,000.00 and accrued interest to and including November 25, 2022 in the amount of \$8,097.32. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 2.00% per annum. The per diem amount on the aforesaid principal amount, given the Bank's current prime rate, is \$271.17; and
2. in respect of Visa account number ending in "3654", in the amount of US\$40,583.59 and in respect of Visa account numbers ending in "0070", "0104" and "3698", in the amounts of CDN\$29,544.82, CDN\$9,559.76 and CDN\$5,207.35 respectively, as at November 25, 2022. Interest continues to accrue on the aforesaid amount at the rate in effect from time to time in accordance with your Visa arrangements with the Bank.



On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than December 8, 2022 of the sum of \$1,120,000.00 plus interest accruing under your guarantee and postponement of claim from the date hereof up until the date of payment in full and the legal fees on a scale as between a solicitor and his own client incurred by the Bank in connection with the collection of the amounts referred to above.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee and postponement of claim.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to December 8, 2022 without further notice to you if the Bank becomes aware of any matter which may impair its security.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP
Per:

R. Moses

Rachel Moses

cc: Jan Oros, Senior Manager, Special Loans and Advisory Services, Royal Bank of
Canada

**MINDEN GROSS LLP****BARRISTERS & SOLICITORS**

145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL 416.362.3711 FAX 416.864.9223
 www.mindengross.com

DIRECT DIAL 416-369-4115
 E-MAIL rmoses@mindengross.com
 FILE 4130784
 NUMBER

November 28, 2022

PERSONAL AND CONFIDENTIAL
VIA REGISTERED MAIL AND ORDINARY MAIL
AND EMAIL (tlato@plasticap.com)

Thomas F. Lato
 6021 19th Avenue
 Markham ON L3P 3J3

Dear Sir:

Re: Royal Bank of Canada ("Bank") and 1731861 Ontario Inc. operating as Plasticap ("Company")

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under a guarantee and postponement of claim dated July 26, 2020 limited to the sum of \$1,120,000.00.

As at November 25, 2022, the Company is indebted to the Bank in the following amounts:

1. in respect of a revolving demand facility, in the amount of \$1,253,097.32, comprising principal in the amount of \$1,245,000.00 and accrued interest to and including November 25, 2022 in the amount of \$8,097.32. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 2.00% per annum. The per diem amount on the aforesaid principal amount, given the Bank's current prime rate, is \$271.17; and
2. in respect of Visa account number ending in "3654", in the amount of US\$40,583.59 and in respect of Visa account numbers ending in "0070", "0104" and "3698", in the amounts of CDN\$29,544.82, CDN\$9,559.76 and CDN\$5,207.35 respectively, as at November 25, 2022. Interest continues to accrue on the aforesaid amount at the rate in effect from time to time in accordance with your Visa arrangements with the Bank.



On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than December 8, 2022 of the sum of \$1,120,000.00 plus interest accruing under your guarantee and postponement of claim from the date hereof up until the date of payment in full and the legal fees on a scale as between a solicitor and his own client incurred by the Bank in connection with the collection of the amounts referred to above.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee and postponement of claim.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to December 8, 2022 without further notice to you if the Bank becomes aware of any matter which may impair its security.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP
Per:

A handwritten signature in black ink that reads 'R. Moses' in a cursive script.

Rachel Moses

cc: Jan Oros, Senior Manager, Special Loans and Advisory Services, Royal Bank of
Canada

This is Exhibit "O" referred to
in the Affidavit of Jan Oros
Sworn this 21st
day of December, 2022.


Rachel Moses (Dec 21, 2022 12:08 EST)

.....
A Commissioner for Taking Affidavits

Rachel Moses / LSO# 42081V



Ministry of Public and
Business Service Delivery

Profile Report

1646813 ONTARIO LIMITED as of December 13, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1646813 ONTARIO LIMITED
Ontario Corporation Number (OCN)	1646813
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 26, 2005
Registered or Head Office Address	[Not Provided] 6655 Kitimat Road, 2, Mississauga, Ontario, Canada, L5N 6J4

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name THOMAS LATO
Address for Service 6021 19th Avenue, Markham, Ontario, Canada, L3T 3J3
Resident Canadian Yes
Date Began January 26, 2005

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name	THOMAS LATO
Position	President
Address for Service	6021 19th Avenue, Markham, Ontario, Canada, L3T 3J3
Date Began	January 26, 2005

Name	THOMAS LATO
Position	Secretary
Address for Service	6021 19th Avenue, Markham, Ontario, Canada, L3T 3J3
Date Began	January 26, 2005

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Corporate Name History**Name**

1646813 ONTARIO LIMITED

Effective Date

January 26, 2005

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
Annual Return - 2017 PAF: THOMAS LATO - DIRECTOR	September 08, 2019
Annual Return - 2016 PAF: THOMAS LATO - DIRECTOR	September 08, 2019
Annual Return - 2015 PAF: THOMAS LATO - DIRECTOR	September 08, 2019
Annual Return - 2014 PAF: THOMAS LATO - DIRECTOR	June 12, 2015
Annual Return - 2012 PAF: THOMAS LATO - DIRECTOR	May 25, 2015
Annual Return - 2013 PAF: THOMAS LATO - DIRECTOR	May 22, 2015
CIA - Notice of Change PAF: THOMAS LATO - DIRECTOR	April 29, 2010
Annual Return - 2007 PAF: TOM LATO - DIRECTOR	July 04, 2008
BCA - Articles of Incorporation	January 26, 2005

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 48 CON 1 (MKM) PTS 1 & 3, 65R25714; RICHMOND HILL; TOGETHER WITH AN EASEMENT OVER PART 1, 65R35734 AS IN YR2370498

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER RH14181 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 2004/12/09 BY INA CHAULK. CORRECTION: INSTRUMENT NUMBER YR282135 WAS ENTERED IN ERROR AGAINST THIS PROPERTY AND WAS REMOVED AND CERTIFIED ON 2004/12/10 BY INA CHAULK.

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
DIVISION FROM 03171-0215

PIN CREATION DATE:
2003/05/02

OWNERS' NAMES
HANAHREUM MART INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/05/02 **						
RH14181	1957/05/02	BYLAW				C
MA14181	1961/09/29	BYLAW		*** DELETED AGAINST THIS PROPERTY ***		
REMARKS: LB71807						
LA661646	1977/12/05	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	C
LA739784	1978/12/20	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF RICHMOND HILL	C
LT888303	1992/12/24	TRANSFER		*** COMPLETELY DELETED ***	PLASTICAP INC.	
LT1584098	2001/02/26	CHARGE		*** DELETED AGAINST THIS PROPERTY *** PLASTICAP INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
YR185301	2002/08/06	CHARGE		*** DELETED AGAINST THIS PROPERTY *** PLASTICAP INC.	ROYAL BANK OF CANADA	
65R25714	2003/02/07	PLAN REFERENCE				C
YR427201	2004/02/11	CHARGE		*** COMPLETELY DELETED *** PLASTICAP INC.	FOWLER, JOHN D.	
YR574991	2004/12/09	LR'S ORDER		*** COMPLETELY DELETED *** LAND REGISTRAR		
REMARKS: MA14181						
YR596229	2005/02/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
REMARKS: RE: YR185301						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR596230	2005/02/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** FOWLER, JOHN D.		
		REMARKS: RE: YR427201				
YR596395	2005/02/03	TRANSFER		*** COMPLETELY DELETED *** PLASTICAP INC.	1646813 ONTARIO LIMITED	
YR597412	2005/02/07	NOTICE OF LEASE		*** COMPLETELY DELETED *** PLASTICAP INC. 1118909 ONTARIO INC.	1646813 ONTARIO LIMITED	
		REMARKS: EXPIRY DATE 2015/01/31.				
YR603322	2005/02/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		REMARKS: RE: LT1584098				
YR920782	2006/12/05	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	B & M HANDELMAN INVESTMENTS LIMITED SULAX HOLDINGS LTD. M. HIMEL HOLDINGS INC. OSTRO, AURELIA FLORDALE HOLDINGS LIMITED STEELE VALLEY GROUP LTD. SMOSCHKOWITZ, ELLEN PANJEE ENTERPRISES LIMITED PINEGROVE ESTATES LIMITED HOLDEN, CHARLES HERBERT, JENNIFER GRAFSTEIN, DIANNE GRAFSTEIN, MURRAY	
YR920783	2006/12/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	B & M HANDELMAN INVESTMENTS LIMITED SULAX HOLDINGS LTD. M. HIMEL HOLDINGS INC. OSTRO, AURELIA FLORDALE HOLDINGS LIMITED STEELE VALLEY GROUP LTD. SMOSCHKOWITZ, ELLEN PANJEE ENTERPRISES LIMITED PINEGROVE ESTATES LIMITED HOLDEN, CHARLES HERBERT, JENNIFER	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
					GRAFSTEIN, DIANNE GRAFSTEIN, MURRAY	
	<i>REMARKS: YR920782</i>					
YR925533	2006/12/14	NO SEC INTEREST		*** COMPLETELY DELETED *** CAPMOR FINANCIAL SERVICES CORPORATION		
YR1098476	2007/12/06	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	FIRST NATIONAL FINANCIAL GP CORPORATION	
YR1098499	2007/12/06	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	FIRST NATIONAL FINANCIAL GP CORPORATION	
	<i>REMARKS: YR1098476</i>					
YR1102400	2007/12/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** B & M HANDELMAN INVESTMENTS LIMITED SULAX HOLDINGS LTD. M. HIMEL HOLDINGS INC. OSTRO, AURELIA FLORDALE HOLDINGS LIMITED STEELE VALLEY GROUP LTD. SMOSCHKOWITZ, ELLEN PANJEE ENTERPRISES LIMITED PINEGROVE ESTATES LIMITED HOLDEN, CHARLES HERBERT, JENNIFER GRAFSTEIN, DIANNE GRAFSTEIN, MURRAY		
	<i>REMARKS: RE: YR920782</i>					
YR1103013	2007/12/17	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	696679 ONTARIO LIMITED	
YR1103014	2007/12/17	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	696679 ONTARIO LIMITED	
	<i>REMARKS: YR1103013</i>					
YR1103015	2007/12/17	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	696679 ONTARIO LIMITED	
	<i>REMARKS: YR1103013</i>					
YR1219239	2008/09/03	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	DANBURY FINANCIAL SERVICES INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR1447759	2010/03/02	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	GREAT LAKES BUSINESS CREDIT CANADA LTD.	
YR1471934	2010/04/29	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	TCE CAPITAL CORPORATION	
YR1505237	2010/06/25	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	VAN HALTERN, JACOB	
YR1524864	2010/07/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** GREAT LAKES BUSINESS CREDIT CANADA LTD.		
	REMARKS: YR1447759.					
YR1558167	2010/10/05	DISCH OF CHARGE		*** COMPLETELY DELETED *** DANBURY FINANCIAL SERVICES INC.		
	REMARKS: YR1219239.					
YR1993748	2013/06/24	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
YR1993749	2013/06/24	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
	REMARKS: YR1993748.					
YR1995585	2013/06/27	POSTPONEMENT		*** COMPLETELY DELETED *** 696679 ONTARIO LIMITED	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
	REMARKS: YR1103013 TO YR1993748					
YR1995586	2013/06/27	POSTPONEMENT		*** COMPLETELY DELETED *** CAPMOR FINANCIAL SERVICES CORPORATION	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
	REMARKS: YR925533 TO YR1993748					
YR1995587	2013/06/27	POSTPONEMENT		*** COMPLETELY DELETED *** TCE CAPITAL CORPORATION	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
	REMARKS: YR1471934 TO YR1993748 DELETED 2015/10/19 CC					
YR1995588	2013/06/27	POSTPONEMENT		*** COMPLETELY DELETED *** VAN HALTERN, JACOB	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	
	REMARKS: YR1505237 TO YR1993748					
YR1995623	2013/06/27	POSTPONEMENT		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	DUCA FINANCIAL SERVICES CREDIT UNION LTD.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR1995649	2013/06/27	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	DUCA FINANCIAL SERVICES CREDIT UNION LTD	
YR2020743	2013/08/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** FIRST NATIONAL FINANCIAL GP CORPORATION		
YR2082997	2014/01/13	NOTICE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	696679 ONTARIO LIMITED	
YR2098802	2014/02/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** TCE CAPITAL CORPORATION		
YR2376335	2015/10/23	NO DET/SURR LEASE		*** COMPLETELY DELETED *** PLASTICAP INC. 1118909 ONTARIO INC.	1646813 ONTARIO LIMITED	
YR2381501	2015/10/30	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	KOMEILIAN, MEHDI	
YR2381502	2015/10/30	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	KOMEILIAN, MEHDI	
YR2381507	2015/10/30	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	KOMEILIAN, MEHDI	
YR2381909	2015/10/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** 696679 ONTARIO LIMITED		
YR2456860	2016/04/13	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	RATHCLIFFE CAPITAL CORP.	
YR2456861	2016/04/13	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	RATHCLIFFE HOLDINGS LIMITED	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2456890	2016/04/13	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	RATHCLIFFE CAPITAL CORP.	
YR2457279	2016/04/14	POSTPONEMENT		*** COMPLETELY DELETED *** VAN HALTERN, JACOB	RATHCLIFFE CAPITAL CORP.	
		REMARKS: YR1505237 TO YR2456860				
YR2457280	2016/04/14	POSTPONEMENT		*** COMPLETELY DELETED *** VAN HALTERN, JACOB	RATHCLIFFE CAPITAL CORP.	
		REMARKS: YR1505237 TO YR2456890				
YR2457281	2016/04/14	POSTPONEMENT		*** COMPLETELY DELETED *** VAN HALTERN, JACOB	RATHCLIFFE CAPITAL CORP.	
		REMARKS: YR1505237 TO YR2456861				
YR2457649	2016/04/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** KOMEILIAN, MEHDI		
		REMARKS: YR2381501.				
YR2457650	2016/04/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** KOMEILIAN, MEHDI		
		REMARKS: YR2381502.				
YR2462976	2016/04/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** DUCA FINANCIAL SERVICES CREDIT UNION LTD.		
		REMARKS: YR1993748.				
YR2670037	2017/05/17	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** 2022331 ONTARIO INC.	RATHCLIFFE CAPITAL CORP.	
		REMARKS: YR2456890.				
YR2670566	2017/05/18	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** RATHCLIFFE CAPITAL CORP.	2022331 ONTARIO INC.	
		REMARKS: YR2456890.				
YR2854124	2018/07/26	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	ROYAL BANK OF CANADA	
YR2854173	2018/07/26	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	ROYAL BANK OF CANADA	
		REMARKS: YR2854124.				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2855041	2018/07/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** VAN HALTERN, JACOB		
	REMARKS: YR1505237.					
YR2855320	2018/07/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** RATHCLIFFE CAPITAL CORP.		
	REMARKS: YR2456860.					
YR2855367	2018/07/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2022331 ONTARIO INC.		
	REMARKS: YR2456890.					
YR2927433	2019/02/07	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	ANTEK MADISON PLASTICS CORP.	
YR2951249	2019/04/18	CHARGE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	LATO, GIOVANNA	
YR2953670	2019/04/25	CAU AGR PUR & SALE		*** COMPLETELY DELETED *** 1646813 ONTARIO LIMITED	HANAHREUM MART INC.	
	REMARKS: 60 DAYS FROM 2019/04/25					
YR2956767	2019/05/02	LR'S ORDER		LAND REGISTRAR, YORK REGION LAND REGISTRY OFFICE		C
	REMARKS: AMENDING DESCRIPTION					
YR2964295	2019/05/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** LATO, GIOVANNA		
	REMARKS: YR2951249.					
YR2974687	2019/06/21	APL (GENERAL)		*** COMPLETELY DELETED *** HANAHREUM MART INC.		
	REMARKS: CERTIFICATE PENDING LITIGATION. DELETED BY YR3001210 - OCT 24/19					
YR2993786	2019/08/08	TRANSFER	\$7,050,000	1646813 ONTARIO LIMITED	HANAHREUM MART INC.	C
	REMARKS: PLANNING ACT STATEMENTS.					
YR2993787	2019/08/08	CHARGE	\$5,000,000	HANAHREUM MART INC.	SHINHAN BANK CANADA	C
YR2993788	2019/08/08	CHARGE	\$800,000	HANAHREUM MART INC.	SHINHAN BANK CANADA	C
YR2993811	2019/08/08	NO ASSGN RENT GEN		HANAHREUM MART INC.	SHINHAN BANK CANADA	C
	REMARKS: YR2993787.					

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03171-0353 (LT)

PREPARED FOR Christine
ON 2022/11/18 AT 08:49:56

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR2993812	2019/08/08	NO ASSGN RENT GEN <i>REMARKS: YR2993788.</i>		HANAHREUM MART INC.	SHINHAN BANK CANADA	C
YR2995444	2019/08/14	DISCH OF CHARGE <i>REMARKS: YR2927433.</i>		*** COMPLETELY DELETED *** ANTEK MADISON PLASTICS CORP.		
YR3001210	2019/08/28	APL AMEND ORDER <i>REMARKS: CERTIFICATE OF PENDING LITIGATION DELETED - OCT 24/19</i>		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	HANAHREUM MART INC.	
YR3001423	2019/08/28	DISCHARGE INTEREST <i>REMARKS: YR925533.</i>		*** COMPLETELY DELETED *** CAPMOR FINANCIAL SERVICES CORPORATION		
YR3004262	2019/09/03	LR'S ORDER <i>REMARKS: DELETES YR2953670</i>		*** COMPLETELY DELETED *** LAND REGISTRAR, YORK REGION LAND REGISTRY OFFICE		
YR3022968	2019/10/22	CHARGE	\$1,300,000	HANAHREUM MART INC.	KEB HANA BANK CANADA	C
YR3022976	2019/10/22	NO ASSGN RENT GEN <i>REMARKS: YR3022968.</i>		HANAHREUM MART INC.	KEB HANA BANK CANADA	C
YR3039786	2019/11/28	DISCH OF CHARGE <i>REMARKS: YR2854124.</i>		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

B E T W E E N

ROYAL BANK OF CANADA
Plaintiff

-and- 1731861 ONTARIO INC. operating as PLASTICAP, et al.
Defendants

Court File No. CV-22-00691955-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

MOTION RECORD

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO# 42081V)
rmoses@mindengross.com
Tel: 416-369-4115

Lawyers for the Plaintiff, Royal Bank of Canada

(File No. 4130784)