

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

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

APPLICATION RECORD

April 22,2020

GOLDMAN SLOAN NASH & HABER LLP

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Lawyers for the Applicant,

Canadian Equipment Finance & Leasing Inc..

TO: THE SERVICE LIST

INDEX

INDEX

Tab No.	Description	Page No.
1.	Notice of Application	1-21
2.	Affidavit of Brent Keenan sworn April 22, 2020	22-27
A.	Loan Agreement dated March 4, 2020	28-64
B.	Loan Agreement dated November 1,2019	65-102
C.	General Security Agreement dated March 4, 2019	103-114
D.	Loan Agreement dated January 2, 2019	115-124
E.	General Security Agreement dated January 2, 2019	125-139
F.	Intercreditor Agreement dated March 4,2019	140-151
G.	PPSA Search on Eveley International Corporation	153-161
H.	Demand letter and s. 244 notice dated April 17, 2020	162-167
I.	Statement of amounts payable by Innovative Trailer Design Industries Inc.	167-170
J.	Cheques from Innovative Trailer Design Industries Inc.	171-175
3.	Consent of msi Spergel Inc. to act	176-178
4.	Draft Order	179-193
5.	Blackline against the model receivership order	194-211
6.	Service List	212-214

Tab 1

Court File No. CV-20-00639897-0000

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

BETWEEN:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent



APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

NOTICE OF APPLICATION

TO THE RESPONDENT

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

THIS APPLICATION will come on for a hearing on Thursday April 23, 2020 at 11:00am by videoconference.

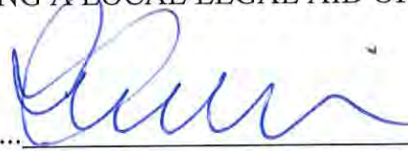
IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the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

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

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

Date April 22, 2020

Issued by



Local registrar **C. Irwin**
Registrar

330 University Ave., 9th Floor

Toronto, ON M5G 1R7.

.....

TO EVELEY INTERNATIONAL CORPORATION
665 Arvin Ave.
Stoney Creek, ON L8E 5R2

[1]

APPLICATION

1. The applicant makes application for:
 - a) an Order substantially in the form attached as **Schedule "A"** appointing msi Spergel Inc. as interim receiver ("**Interim Receiver**") of the property and undertaking of Eveley International Corporation (the "**Debtor**");
 - b) an Order directing that Benito Di Franco and all other employees or representatives of 2565698 Ontario Inc. ("**256**") or Innovative Trailer Design Industries Inc. ("**ITD**"). cease any contact with suppliers or customers of the Debtor or with potential purchasers of the Debtor's assets or undertakings and instead direct all such communications to the Interim Receiver; and
 - c) such further and other relief as this Honourable Court deems just.
2. The grounds for the application are:

The parties

- a) The Debtor's business is in manufacturing and selling undercarriage components for vehicles, including trailers to be used in trucking;
- b) The Applicant, Canadian Equipment Finance & Leasing Inc. ("**CEFL**") is a secured creditor of the Debtor with first-ranking security on most equipment of the Debtor and with a claimed first ranking security on the inventory, accounts and other assets of the Debtor;
- c) The Debtor has been locked out of its leased premises on the basis of termination of the lease by the landlord, 256, which is also a secured creditor of the Debtor in a subordinate position on all equipment and which also claims a first ranking security on the on the inventory, accounts and other assets of the Debtor;

[2]

- d) CEFL has delivered a demand for repayment of its loans to the Debtor and has delivered a Notice of Intention to Enforce Security, for which the Debtor has consented to enforcement sooner than the statutory 10 day period;
- e) 256 has also delivered a demand for repayment of its loan to the Debtor and has delivered a Notice of Intention to Enforce Security, for which the statutory 10 day period has passed;

Need for an interim receiver

- f) CEFL and 256 have attempted to make arrangements for the preservation and review of the Debtor's assets and affairs, but have been unable to agree on several issues;
- g) Among those issues is whether 256 should have access to information about the business and in particular the customers of the Debtor, because it may harm the Debtor and by extension the ability of CEFL to be repaid on its loans;
- h) CEFL has concerns about the propriety of permitting 256 to have unrestricted access to the information about the Debtor's customers and business because:
 - i. Benito Di Franco is the principal of both 256 and ITD, and ITD is a customer of the Debtor and sells trailers for trucking and is therefore a possible purchaser of the assets and/or business of the Debtor; and
 - ii. Mr. Di Franco has also been contacting customers of the Debtor and telling them that he is shutting down the Debtor and that the customers should not deal with the Debtor any further;
- i) CEFL and 256 also have other ongoing disagreements, including:

[3]

- i. who has priority to the Debtor's inventory, accounts, and other assets,
- ii. whether 256's security extends to obligations under the lease to the Debtor, and
- iii. whether or how access to the leased premises should be effected for appropriate preservation and if necessary sale of the Debtor's assets,

such that a Court proceeding for the resolution of disputes is appropriate;

- j) Section 47 of the *Bankruptcy and Insolvency Act*; and
- k) such further and other grounds as counsel may advise and this Honourable Court accepts.

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

- a) the affidavit of Brent Keenan sworn April 22, 2020;
- b) the affidavit of Dawn Eveley sworn April 22, 2020; and
- c) such other documentary evidence as this Honourable Court may accept.

April 21^{on} 2020

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Lawyers for the Applicant,
Canadian Equipment Finance & Leasing Inc.

SCHEDULE "A"

Court File No. CV-20-00639897-00CL

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

THE HONOURABLE MR.)	THURSDAY, THE 23 RD
)	
JUSTICE MCEWEN)	DAY OF APRIL, 2020

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

**ORDER
(appointing Interim Receiver)**

THIS MOTION made by the Applicant for an Order pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing msi Spergel Inc. as interim receiver (in such capacity, the "**Interim Receiver**") without security, of all of the assets, undertakings and properties of Eveley International Corporation (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via videoconference.

ON READING the affidavits of Brent Keenan and Dawn Eveley sworn April 22, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the respondent and 2565698 Ontario Inc. no one appearing for any other party on the service list

although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel Inc. to act as the Interim Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 47(1) of the BIA msi Spergel Inc. is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

INTERIM RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

- 3 -

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Interim Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to

- 4 -

the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall

grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

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

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

7. THIS COURT ORDERS that Benito Di Franco and any other employee or representative of either 2565698 Ontario Inc. or Innovative Trailer Design Industries Ltd. shall not have any contact with suppliers or customers of the Debtor or with potential purchasers of the Debtor's assets or undertakings and shall instead direct all such communications to the Interim Receiver.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE INTERIM RECEIVER

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

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

CONTINUATION OF SERVICES

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

INTERIM RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Interim Receivership Accounts**") and the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Interim Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-

related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall

exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "Interim Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

20. THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands,

against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP

21. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<[@](#)>’.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of

this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

33. THIS COURT ORDERS that, subject to further Order of the Court, the Interim Receiver's appointment shall expire on May 23, 2020 or such earlier time as is required by subs. 47(1) of the BIA.

SCHEDULE "A"**INTERIM RECEIVER CERTIFICATE**

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], (the "Interim Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number ____-CL-_____, has received as such Interim Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

- 2 -

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity
as Interim Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

CV-20-00039897-00CL

Court File No. CV-

CANADIAN EQUIPMENT FINANCE & LEASING INC.
Applicant

- and -

EVELEY INTERNATIONAL CORPORATION
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

NOTICE OF APPLICATION

GOLDMAN SLOAN NASH & HABER LLP
Barristers & Solicitors
480 University Avenue, Suite 1600
Toronto, Ontario
M5G 1V2

R. Brendan Bissell [LSO No. 40354V]
Email: bissell@gsnh.com
Tel: (416) 597-6489
Fax: (416) 597-3370

Lawyers for the Applicant,
Canadian Equipment Finance & Leasing Inc.

Tab 2

Court File No. CV-20-00639897-00CL

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

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

**AFFIDAVIT OF BRENT KEENAN
(sworn April 22, 2020)**

I, Brent Keenan of the City of Guelph, hereby MAKE OATH AND SAY:

1. I am the Managing Partner and President of Canadian Equipment Finance & Leasing Inc. (“CEFL”) and as such have knowledge of matters referred to in this affidavit. Where this affidavit is based upon information and belief, I have stated the source of that information and believe it to be true.

The Debtor’s business

2. As I understand it, the Debtor’s business is manufacturing underbody components such as axles and suspensions for transportation vehicles such as trucks and trailers.

[2]

CEFL's loans and security

3. CEFL is a lender to Eveley International Corporation (the "**Debtor**") under two loan and security agreements dated March 4, 2019 and November 1, 2019, copies of which are attached as **Exhibits "A" and "B"**.

4. CEFL also has a general security agreement dated March 4, 2019 in respect of its loan, a copy of which is attached as **Exhibit "C"**.

Other creditors of the Debtor

5. The Debtor previously had a line of credit with Bank of Nova Scotia until 2019, when it went through a set of refinancing arrangements.

6. In those arrangements, the Debtor sold the land and building at 665 Arvin Avenue in Stoney Creek in or about January of 2019 to 2565698 Ontario Inc. ("**256**"), a company related to Innovative Trailer Design Industries Inc. ("**ITD**"), which was and is a customer of the Debtor. The Debtor then leased the premises back from 256.

7. Those arrangements also included a loan from 256 to the Debtor in January of 2019. 256 has provided a copy of that loan agreement and a general security agreement that accompanied it, copies of which are attached as **Exhibits "D" and "E"**.

8. CEFL's first loan in March of 2019 was also part of this refinancing arrangement. As part of that loan, CEFL and 256 signed an intercreditor agreement on March 4, 2019, a copy of which is attached as **Exhibit "F"**.

9. A further creditor of the Debtor is Canadian Western Bank ("**CWB**"). CWB provided asset-specific financing on two large pieces of equipment in February of 2019, which CEFL brokered. CWB also provided further purchase financing for three new large pieces of equipment in November of 2019.

10. A copy of the PPSA search for the Debtor is attached as **Exhibit "G"**. It also shows that the principal of the Debtor, Dawn Eveley, is a registered secured creditor. I do not know the details of that.

[3]

Default and enforcement steps

11. I understand that the Debtor was substantially behind on its rent owing to 256 and was locked out of the leased premises on or about April 11, 2020. CEFL was not given notice of this by 256 and only found out indirectly through the Debtor.

12. I also understand that 256 provided a Notice of Intention to Enforce Security on March 27, 2020. Again CEFL was not provided this at the time and only received a copy on April 20 from 256's solicitor.

13. In response to the lockout of the Debtor and the cessation of the Debtor's business, CEFL sent to the Debtor a demand letter and its own Notice of Intention to Enforce Security, on April 17, 2020, a copy of which is collectively attached as **Exhibit "H"**. The Debtor consented to early enforcement by CEFL by countersigning that Notice.

14. CEFL and 256 have attempted to discuss ways to cooperate regarding the Debtor. There have, however, been disagreements about a number of issues, including:

- a) the extent to which the Debtor's business should be kept as a going concern, which I am told by Ms. Eveley in the immediate term involves orders for repeat customers that were overdue as of April 17, 2020 and would be ready to be shipped in a few days' work;
- b) the terms under which the Debtor might be able to access the premises owned by 256, including requests for releases from any claims under the lease and also an occupation rent amount payable;
- c) the extent to which 256 should have access to the Debtors business, affairs and in particular customer information;
- d) whether CEFL's general security agreement has priority over that of 256; and
- e) whether 256's general security agreement also secures amounts that are or may yet be owing under the lease between 256 and the Debtor.

[4]

15. The issues above show urgency to stabilize the estate of the Debtor, and to obtain an independent and professional review and recommendation as to the appropriate next courses of action. The issues above also show that a way to manage and if necessary adjudicate the differences between CEFL and 256 is important so that proper management of and if necessary realization on the estate of the Debtor can be done.

16. One particular aspect of concern of those issues for CEF is access by 256 to the Debtor's customer information. This is because 256 is a related company to ITD, which is in turn a customer of the Debtor and operates in the same industry of providing transportation equipment. I understand that ITD provides fully assembled trailers, for which the Debtor has provided parts. ITD is therefore a logical possible purchaser of the Debtor's assets if a sale were to take place.

17. CEFL's concern is heightened by what I am advised by Dawn Eveley are contacts that she has received from customers of the Debtor by Benito Di Franco, who is the principal of both 256 and ITD, to say to those customers that he is putting the Debtor out of business and that the customers should not deal with the Debtor.

18. If true, and I understand that Ms. Eveley is submitting her own affidavit on those matters, CEFL is very concerned about the prejudicial effect that such communication by Mr. Di Franco could have on the estate of the Debtor. Such communications could doom any going concern nature of the Debtor. In circumstances where 256 is asserting that CEFL might be a subordinate creditor, for 256 to also take steps that might pre-empt restructuring or realization options for the Debtor is very concerning.

19. The role of 256 and ITD in the Debtor's affairs is also problematic in connection with payables by ITD owing to the Debtor. Based on a statement provided by the Debtor, a copy of which is attached as **Exhibit I**, ITD is now overdue on payments of \$84,046.08 to the Debtor. While I am advised by CEFL's lawyer, Brendan Bissell, that counsel for 256 has said that there are issues with the amounts owing, the Debtor advises me that ITD previously provided cheques for \$60,408.82 of the amounts owing, copies of which are attached at **Exhibit "J"**. I am also advised by Mr. Bissell that counsel for 256 said that the amounts owing by ITD to the Debtor would be dealt with after the arrears of rent are paid.

SWORN before me via videoconference
at the City of Toronto,
in the Province of Ontario
this 22nd day of April, 2020

A Commissioner, etc.

)
)
)
)
)
)
)
)
)


BRENT KEENAN
Brent Keenan
President
Canadian Equipment Finance & Leasing Inc.

Tab A

This is **Exhibit "A"** to the
Affidavit of Brent Keenan,
sworn before me this 22nd day
of April, 2020

A handwritten signature in blue ink, appearing to be 'JGC', is written over a horizontal line.

A Commissioner, etc.



**Canadian Equipment
FINANCE & LEASING INC.**

THIS LOAN AND SECURITY AGREEMENT # 122-03-2019-001 is made the 4th day of **March, 2019**

BETWEEN: **Eveley International Corporation**, a corporation incorporated under the laws of the Province of **Ontario**, having its chief executive offices at **665 Arvin Avenue, Stoney Creek, ON L8E 5R2**,
(hereinafter referred to as the "Borrower")

- and -

Canadian Equipment Finance & Leasing Inc., an Independent financing and leasing company, having an office at **250 Woolwich St., Unit 5, Breslau, Ontario N0B 1M0** (hereinafter referred to as the Lender").

WHEREAS the Borrower has requested that the Lender make available to it a term loan in the amount of **SIX HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$600,000.00)** of lawful money of Canada on the terms and conditions set out in this Loan and Security Agreement and the Lender has agreed to make such loan to the Borrower on such terms and conditions;

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

The Lender hereby agrees, provided the representations and warranties of the Borrower set forth in this Loan and Security Agreement are true and correct, to advance to the Borrower the Principal Sum of **\$600,000.00** (the "Principal Sum") and the Borrower hereby agrees to repay to the Lender, the Principal Sum:

With interest thereon, pre-computed for the term of this Loan and Security Agreement, at an annual fixed rate of **7.00%** per annum (based on a 365 day year), ☒ in **48** consecutive monthly payments of principal and interest of **\$14,398.06** each payable on the **15th** day of each month commencing **April 15th, 2019** or ☐ as set out in the attached Schedule "A". The total payments of principal and interest due over the term of this Loan and Security Agreement (excluding interest charged on amounts past due) are equal to **\$691,106.88**.

-or-

☐ with interest thereon at the variable rate per annum as hereinafter defined (the "Variable Rate") calculated daily both before and after default and compounded monthly on the payment date set out below, in consecutive monthly payments of \$ _____ each payable on the _____ day of each month commencing _____ or as set out in the attached Schedule "A" (such payments to be applied firstly in payment of accrued interest on the amount of the balance of the Principal Sum remaining unpaid and secondly in reduction of the Principal Sum) and one final payment in the amount of the unpaid Principal Sum and interest accrued thereon, as herein calculated, payable on the last scheduled payment date. The Variable Rate shall be equal to the per annum prime rate of interest (as established by the Lender and charged to its commercial customers for Canadian dollar loans) in effect as at 9:00 a.m. on the last banking day of each and every month plus ____%. As of the date of this Loan and Security Agreement, the Lender's prime rate is equal to ____%.

The terms and conditions on the following pages of this Loan and Security Agreement and on any schedules or attachments form part of this Loan and Security Agreement, have been read by the Borrower and are binding upon the Borrower and Lender.

Executed this 4th day of **March, 2019**

LENDER:
Canadian Equipment Finance & Leasing Inc.

BY: _____

Name: **Brent Keenan**
Title: **President**

BY: _____

Name:
Title:

BORROWER:
Eveley International Corporation

BY: _____

Name: **Dawn Marie Eveley**
Title: **President**
(I/We have the authority to bind the corporation)

BY: _____

Name:
Title:
(I/We have the authority to bind the corporation)

TERMS AND CONDITIONS

PAGE 2 OF 5

1. **PREPAYMENT** - Any prepayment of the Principal Sum may only be made with the Lender's prior written consent and on terms which shall reasonably compensate the Lender for any reduction in its rate of return on the Principal Sum based, in part, on the Lender's cost of funding the Principal Sum.

2. **SECURITY INTEREST**

(a) The Borrower hereby grants to the Lender a security interest in:

(i) the type, item or kind of equipment described in Schedule "B" hereto together with all additions, attachments, appliances, parts, instruments, appurtenances, accessories, furnishings and other parts of whatever nature which may from time to time be incorporated or installed in or attached to the equipment and any and all replacements, substitutions or exchanges therefor and the proceeds of every type, item or kind (cash and non-cash), including insurance proceeds thereof (the "**Equipment**");

(ii) to the extent the Equipment may constitute or be deemed to be inventory, such Equipment now or hereafter offered or furnished under any contract of service or intended for sale or lease, any and all additions, attachments, accessories and accessions thereto, any and all substitutions, replacements or exchanges therefor, any and all leases, subleases, rentals, accounts and contracts with respect to the Equipment which may now exist or hereafter arise, together with all rights thereunder and all rental and other payments and purchase options due and to become due thereunder, any and all sales proceeds payable for such property, all insurance, bonds and/or other proceeds of the property and all returned or repossessed Equipment now or at any time or times hereafter in the possession or control of the Borrower or the undersigned (the "**Inventory**");

(iii) all accounts, book accounts and book debts, dues, claims, choses in action and demands of any nature now owned by the Borrower or hereafter acquired or owned by the Borrower that might arise or result from any lease or other disposition of any of the Equipment or the Inventory, including, but not limited to, any right of the Borrower to payment for Equipment or Inventory sold or leased or under any contract for services, whether or not evidenced by an instrument or chattel paper, and whether or not such right has been earned by performance (the "**Accounts**"); and

(iv) with respect to Equipment, Inventory and Accounts, all deeds, documents, writings, papers, books of account and other books relating to or being records of debts, chattel paper or documents of title (including, without limitation, computer programs, tapes, and related electronic data processing software) or by which such are or may hereafter be secured, evidenced, acknowledged or made payable (the "**Documents**").

(v) the Equipment, Inventory, Accounts, Documents and all proceeds of every type, item and kind of the foregoing are hereinafter referred to as the "**Collateral**".

(b) As continuing and collateral security for the payment and performance of the Indebtedness (as defined below), the Borrower hereby hypothecates in favour of the Lender the Collateral (the "**Hypothecated Property**") for the amount of (\$) Dollars in lawful money of Canada and interest thereon as determined on page 1 of this Loan and Security Agreement (the "**Hypothec**").

(c) 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 the Borrower shall stand possessed of such last day in trust to assign the same to any person acquiring such term. The Security Interest granted hereunder is intended to constitute a Purchase Money Security Interest to the extent such interest satisfies the requirements of the PPSA.

(d) The terms "chattel paper", "document of title", "instrument", "proceeds", "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* (Ontario), 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 "PPSA". "Security Interest" when used herein shall include the security interests granted under paragraph 2(a) and the Hypothec granted under paragraph 2(b). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". Notwithstanding any other provision of this Loan and Security Agreement, for purposes of interpretation, registration and enforcement of this Loan and Security Agreement in the Province of Quebec only, the terms set out in the attached Schedule "C" shall have the meanings ascribed therein. The Hypothec will be governed by and construed in accordance with the laws of the Province of Quebec.

3. **INDEBTEDNESS SECURED** - The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Borrower to the Lender (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, incurred under, this Loan and Security Agreement, any other agreement or arrangement between Borrower and Lender 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 the Borrower 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 an Event of Default, to satisfy all Indebtedness of the Borrower, the Borrower acknowledges and agrees that the Borrower shall continue to be liable for any Indebtedness remaining outstanding and the Lender shall be entitled to pursue full payment thereof.

4. **REPRESENTATIONS AND WARRANTIES OF THE BORROWER** - The Borrower hereby represents and warrants:

(a) The Borrower is duly incorporated and organized and is validly existing under the laws of its jurisdiction of incorporation and has full corporate power and capacity to execute and deliver this Loan and Security Agreement and to perform its obligations hereunder.

(b) The execution and delivery of this Loan and Security Agreement by the Borrower, the performance by the Borrower of its obligations hereunder and the creation of any security interest in or assignment hereunder of the Borrower's rights in the Collateral to the Lender: (a) have been duly authorized by all necessary or proper corporate or other action; (b) are not in contravention of any provision of the articles or memorandum of association or incorporation, by-laws, unanimous shareholders' agreement, or any directors' or shareholders' resolution, of the Borrower; (c) will not violate any law or regulation, or any order or decree of any court or governmental body; and (d) will not conflict with or result in the breach or termination of, constitute a default under, or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its property or assets is bound (or would be bound but for such default) and as at the date of any advance hereunder the Borrower is not otherwise in default under any such indenture, mortgage, deed of trust, lease, agreement or other instrument.

(c) This Loan and Security Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, winding-up, moratorium, reorganization, or other similar laws affecting creditors' rights generally, and to the availability of equitable remedies.

(d) No Event of Default has occurred and is continuing.

(e) The address listed on page 1 is the chief executive office of the Borrower and, unless otherwise provided for in Schedule "D", is the location where all of the Collateral, material books and records of the Borrower are kept.

(f) The Collateral is genuine and owned by the Borrower free of all security interests, mortgages, liens, claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances approved in writing by the Lender, prior to their creation or assumption.

(g) The description of the Equipment and the corresponding serial numbers and/or vehicle identification numbers ("**VIN**") provided in Schedule "B" hereto is accurate and complete.

(h) Each Account constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Borrower to the Lender 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 the Borrower which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise.

All of the representations and warranties referred to in this Loan and Security Agreement shall be continuing representations and warranties and shall be deemed to be made at all times that there is any Indebtedness or liability of the Borrower to the Lender outstanding.

5. **COVENANTS OF THE BORROWER** - So long as this Loan and Security Agreement remains in effect, the Borrower covenants and agrees:

(a) to punctually pay (or cause to be paid) the Principal Sum and interest hereunder and all other sums falling due or payable hereunder on the dates and in the manner specified herein;

(b) to maintain its corporate existence and file or cause to be filed any returns, documents or other information necessary to preserve such corporate existence;

¹ In Quebec, capitalize amount by an additional 20%.

Initial: 

- (c) to do or cause to be done all things necessary or desirable to keep in full force and effect its corporate existence and qualifications to carry on business in those jurisdictions where such qualification may be necessary or desirable and in a proper and efficient manner in accordance with normal industry standards;
- (d) to notify the Lender forthwith upon becoming aware of any Event of Default;
- (e) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those Encumbrances approved in writing, prior to their creation or assumption, by the Lender, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Lender; provided always that, until the occurrence of an Event of Default hereunder, the Borrower may, in the ordinary course of the Borrower's business, lease Inventory;
- (f) to notify the Lender promptly of:
- the locations of the Borrower's business operations, books and records and assets, including the Collateral, if such location is different from the address listed on page 1 or on the attached Schedule "D".
 - any change in the information contained herein, including, without limitation, a change in the Borrower's name, the Borrower's business or the Collateral or in the Schedules hereto relating to the Borrower, the Borrower's business or the Collateral,
 - the details of any significant acquisition of Collateral, claims or litigation affecting the Borrower or the Collateral,
 - any loss or damage to the Collateral,
 - any default by any Account Debtor in payment or other performance of his/her obligations with respect to the Collateral, and
 - the return to or repossession by any other lender or person of the Collateral;
- (g) to keep the Collateral in good working order, condition and repair and not to use the Collateral in violation of the provisions of this Loan and Security Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (h) 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 the Lender with respect to the Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- (i) to pay all taxes, expenses, rates, levies, assessments and other charges of every nature which may now or hereafter be lawfully levied, assessed or imposed against or in respect of the Borrower or the Collateral as and when the same become due and payable;
- (j) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Borrower, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- (k) to prevent the Collateral, except Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Loan and Security Agreement;
- (l) to carry on and conduct the business of the Borrower in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, proper books of account for the Borrower's business as well as accurate and complete records concerning the Collateral, and mark any and all such records and the Collateral at the Lender's request so as to indicate the Security Interest;
- (m) to deliver to the Lender from time to time promptly upon request:
- any documents of title, instruments, chattel paper constituting, representing or relating to Collateral;
 - all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - balance sheet and statements of profit and loss and each category of surplus for each fiscal quarter within 60 days of the end of the fiscal quarter and audited consolidated financial statements for each fiscal year within 120 days of the end of the fiscal year and such other financial information and statements as Lender may from time to time require;
 - all policies and certificates of insurance relating to the Collateral, and
 - such information concerning the Collateral, the Borrower and the Borrower's business and affairs as the Lender may reasonably request.
6. **USE AND VERIFICATION OF COLLATERAL** - Subject to compliance with the Borrower's covenants contained herein, the Borrower may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Borrower's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time, at the Borrower's expense, to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Borrower agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where the Collateral may be located and to all premises occupied by the Borrower.
7. **COLLECTION OF DEBTS** - After default under this Loan and Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on the Collateral to the Lender. The Borrower acknowledges that any payments on or other proceeds of the Collateral received by the Borrower from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after the occurrence of an Event of Default under this Loan and Security Agreement shall be received and held by the Borrower in trust for the Lender and shall be turned over to the Lender upon request.
8. **INCOME FROM AND INTEREST ON COLLATERAL**
- (a) Until the occurrence of an Event of Default, the Borrower reserves the right to receive any money constituting income from or interest on the Collateral and if the Lender receives any such money prior to the occurrence of an Event of Default, the Lender shall either credit the same against the Indebtedness or pay the same promptly to the Borrower.
- (b) After the occurrence of an Event of Default, the Borrower will not request or receive any money constituting income from or interest on the Collateral and if the Borrower receives any such money, the Borrower will pay the same promptly to the Lender.
9. **DISPOSITION OF MONEY** - Subject to any applicable requirements of the PPSA, all money collected or received by the Lender pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied on account of Indebtedness in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Borrower, all without prejudice to the liability of the Borrower or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.
10. **EVENTS OF DEFAULT** - The happening of any of the following events or conditions shall constitute an "Event of Default" hereunder:
- (a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest or other obligations forming part of the Indebtedness or the failure of the Borrower to observe or perform any obligation, covenant, term, provision or condition contained in this Loan and Security Agreement or any other agreement between the Borrower and the Lender;
- (b) the Borrower commits or threatens to commit any act of bankruptcy or insolvency; the filing against the Borrower of a petition in bankruptcy; the making of an assignment for the benefit of creditors by the Borrower; the appointment of a receiver or trustee for the Borrower or for any assets of the Borrower or the institution by or against the Borrower of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act*, the *Companies Creditors Arrangement Act* or any other bankruptcy or insolvency law or otherwise;

Initial: 

- (c) the institution by or against the Borrower of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Borrower;
- (d) if any Encumbrance affecting the Collateral becomes enforceable against the Collateral;
- (e) if the Borrower 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;
- (f) if any execution, sequestration, extent or other process of any court becomes enforceable against the Borrower or any of its property or if distress or analogous process is levied upon the assets of the Borrower or any part thereof;
- (g) if the Borrower overtaxes, overloads, misuses, damages, destroys or abuses any of the Collateral or uses it for any illegal purpose;
- (h) if the Borrower fails to remit proceeds from any sale, lease or other transfer of the Collateral to the Lender within 10 days of such sale, lease or other transfer;
- (i) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Borrower pursuant to or in connection with this Loan and Security Agreement, the Indebtedness, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with the Borrower, 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 the Borrower; or if upon the date of execution of this Loan and 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 the Lender at or prior to the time of such execution.
- (j) If Borrower is a privately held corporation or limited partnership and effective control of Borrower's voting capital stock or partnership interests, issued and outstanding from time to time, is not retained by the present holders (unless Borrower shall have provided thirty (30) days prior written notice to Lender of the proposed disposition and Lender shall have consented thereto in writing);
- (k) If Borrower is a publicly held corporation and there is a material change in the ownership of Borrower's capital stock, unless Lender is satisfied as to the creditworthiness of Borrower and as to Borrower's conformance to the other standard criteria then used by Lender for such purpose immediately after such change of ownership.

11. **ACCELERATION** - The Lender, in its sole discretion, may, with or without legal process, demand or notice of any kind and without any liability to the Lender whatsoever, declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, upon (i) the occurrence of an Event of Default, or (ii) if the Lender in good faith believes that the ability of the Borrower to pay amounts owing, or to perform its obligations, whether owing and due under this Loan and Security Agreement, any agreement relating to the Indebtedness or any other agreement now or hereafter in effect between the Borrower and the Lender is or is about to become impaired, or (iii) if the Lender in good faith believes that the Collateral is in danger of being lost, damaged or confiscated. The Lender's right to accelerate payment under this section is subject to any statutory provisions but in addition to any other right or remedy the Lender may have (including those of the Lender under the PPSA). The provisions of this Section are not intended in any way to affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

12. REMEDIES

- (a) Upon the occurrence of an Event of Default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of the 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 the Debtor and not the Lender, and the Lender 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 the Collateral, to preserve the Collateral or its value, and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any such Receiver may enter upon, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situated and maintain the Collateral upon such premises. Except as may be otherwise directed by the Lender, 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 the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.
- (b) Upon default, the Lender 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 Section 12(a).
- (c) Upon the occurrence of an Event of Default, the Lender may (i) require the Borrower to assemble any or all Equipment at the location to which the Equipment was delivered or the location to which such Equipment may have been moved by the Borrower or such other location in reasonable proximity to either of the foregoing as the Lender shall designate; or to return promptly, at the Borrower's expense, any or all of the Equipment to the Lender at the location, in the condition and otherwise in accordance with all of the terms of any agreement between the Borrower and the Lender; and/or (ii) enter into any premises where any unit of Equipment is believed to be located and take possession of and render unusable by the Borrower any or all of the Equipment, wherever it may be located, without any court order or other process of law and without liability for any damages occasioned by such taking of possession, other than as is caused by the gross negligence or willful misconduct of the Lender (any such taking of possession shall not prohibit the Lender from exercising its other remedies hereunder); and (iii) take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof.
- (d) The Lender, if it repossesses the Collateral, will retain the Collateral for the period of time required by law and if the Collateral is not redeemed within that time by the Borrower, the Lender may store, repair and recondition the Collateral and may sell, lease or otherwise dispose of the Collateral in a lawful manner, and upon such terms, including deferred payment, as the Lender may deem appropriate. The proceeds of any such sale, when actually received in cash by the Lender and after deduction of all charges, expenses, and commissions, including solicitor's fees and expenses incurred in connection with such repossession, storage, repairing, reconditioning and sale of the Collateral shall be applied toward the payment of all amounts owing by the Borrower. All payments previously received shall be retained by the Lender and shall remain credited to the Borrower's account. The Borrower shall be liable for any deficiency. The surplus, if any, shall be credited to the Borrower's account and if no other amounts are then owing, such surplus shall be paid to the Borrower or to such other party as may be entitled by law thereto.
- (e) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Borrower and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after the occurrence of an Event of Default, all rights and remedies of a secured party under the PPSA; provided always, that the Lender 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 the Collateral or to institute any proceedings for such purposes.
- (f) The Borrower agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Lender 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 the Borrower's accounts, in preparing, administering or enforcing this Loan and Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of the 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 the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.
- (g) The Borrower appoints any officer or director or branch manager of the Lender upon the occurrence of an Event of Default to be its attorney in accordance with applicable legislation with full power of substitution and to do on the Borrower's behalf anything that is required to assign or transfer, and to record any assignment 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.
- (h) All rights and remedies hereunder are cumulative and alternative and, in particular, the Lender shall be entitled to pursue all of its rights hereunder either consecutively or concurrently and no right or interest in the Collateral shall be extinguished or merged by the commencement of any legal proceeding or the taking of judgment for all or any part of the monies which are or may become due and owing pursuant to this Loan and Security Agreement or pursuant to any agreement renewing or extending or collateral to this Loan and Security Agreement.

13. MISCELLANEOUS

(a) The Lender shall open and maintain on its books in accordance with its usual practice, accounts and records evidencing the amounts owing hereunder by the Borrower to the Lender. The Lender shall enter in such books each payment of the Principal Sum, interest and fees and all other amounts paid by the Borrower and becoming due hereunder to the Lender. Such books and records maintained by the Lender will constitute, in the absence of manifest error, *prima facie* evidence of the Indebtedness hereunder of the Borrower to the Lender, and the amount the Borrower has paid from time to time on account of the Principal Sum, interest and fees.

(b) For purposes of disclosure pursuant to the *Interest Act* (Canada), the annual rates of interest or fees to which the rates of interest or fees provided hereunder are equivalent, are the rates so determined multiplied by the actual number of days in the applicable calendar year and divided by 365.

Initial: 

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

(d) Without limiting any other right of the Lender, whenever Indebtedness is immediately due and payable or the Lender has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Lender may, in its sole discretion, set off against Indebtedness any and all amounts then owed to the Borrower by the Lender in any capacity, whether or not due, and the Lender 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 the Lender's records subsequent thereto.

(e) Upon the Borrower's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all of such duties, and the Borrower shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 1.5% per month (19.56% per annum).

(f) The Lender 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 the Borrower, the Account Debtors, sureties and others and with the Collateral and other security as the Lender may see fit without prejudice to the liability of the Borrower or the Lender's right to hold and realize upon the Security Interest. Furthermore, the Lender may demand, collect and sue on the Collateral in either the Borrower's or the Lender's name, at the Lender's option, and may endorse the Borrower's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting the Collateral.

(g) No delay or omission by the Lender 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, the Lender may remedy any Event of Default by the Borrower hereunder or with respect to any Indebtedness in any reasonable manner without waiving the Event of Default remedied and without waiving any other prior or subsequent Event of Default by the Borrower. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(h) This Loan and 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 Loan and Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Borrower shall not assert against the assignee any claim or defence which the Borrower now has or hereafter may have against the Lender. The Lender may assign this Loan and Security Agreement to any person without obtaining the Borrower's consent. The Borrower may not assign this Loan and Security Agreement to any person.

(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 Loan and 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 Section 13(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 the Lender, 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 the Borrower, if delivered to it or sent by prepaid registered mail addressed to it at its last address known to the Lender. 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 Loan and Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by the Lender and is intended to be a continuing Loan and Security Agreement and shall remain in full force and effect until the Borrower 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 the Borrower, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon and after such notice any realization costs and expenses shall be paid in full.

(l) 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.

(m) In the event any provisions of this Loan and 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 Loan and Security Agreement shall remain in full force and effect.

(n) Except as already contemplated herein nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(o) The Borrower acknowledges that the Borrower and the Lender intend for the Security Interest to attach upon the execution of this Loan and Security Agreement (or, in the case of any property acquired subsequent thereto, upon the date of such acquisition) and that value has been given and that the Borrower has (or in the case of after-acquired property, will have) rights in Collateral. The parties acknowledge and agree that this Loan and Security Agreement and the Security Interest are intended to be a "security agreement" and "security interest," within the meaning of the PPSA.

(p) The Borrower 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 "the Borrower" 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 the Lender at the time of amalgamation and any "Indebtedness" of the amalgamated company to the Lender thereafter arising.

(q) The Borrower waives the rights, benefits and protection given by *The Civil Enforcement Act* of Alberta or any amendment or successor legislation thereto and the Borrower, if a corporation, agrees that the *Limitation of Civil Rights Act* of the Province of Saskatchewan, or any provision thereof, shall have no application to this Loan and Security Agreement or any agreement or instrument renewing or extending or collateral to this Loan and Security Agreement. In the event that the Borrower is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act*, the Borrower agrees with the Lender that all of Part IV (other than Section 46) of that Act shall not apply to the Borrower.

(r) This Loan and Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province of Ontario, as the same may from time to time be in effect. The Borrower and the Lender or its successors and assigns irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of Ontario and of Canada sitting in Ontario in any action or proceeding arising out of or relating to this Loan and Security Agreement, other than any such action or proceeding arising out of or relating to the Hypothec, and irrevocably agree that all such actions and proceedings may be heard and determined in such courts. The Borrower and the Lender or its successors and assigns irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of Quebec and of Canada sitting in Quebec in any action or proceeding arising out of or relating specifically to the Hypothec, and irrevocably agree that all such actions and proceedings may be heard and determined in such courts.

(s) For purposes of the Province of Quebec, notice of application for registration in the register of personal and moveable rights of the Hypothec created herein can be made either by the Borrower or the Lender and the date after which such registration ceases to be effective is hereby fixed at 10 years after the date of such registration. However, the Lender may unilaterally renew such registration before it ceases to be effective.

14. COPY OF AGREEMENT

(a) The Borrower hereby acknowledges receipt of a copy of this Loan and Security Agreement.

(b) The Borrower waives the Borrower's right to receive a copy of any financing statement or financing change statement registered by the Lender, or of any verification statement with respect to any financing statement or financing change statement registered by the Lender. (This section 14(b) is not applicable in the Province of Ontario).

15. LANGUAGE OF AGREEMENT - The Borrower has expressly requested that this document be drawn up in the English language. Le(s) soussigné (s) a (ont) expressément demandé que ce document soit rédigé en langue anglaise.

Initial: 

VARIABLE PAYMENT SCHEDULE "A"**(SCHEDULE OF PAYMENTS TO BE FILLED IN ONLY IF VARIABLE PAYMENTS APPLY)****N/A****(Note: All Payments to be made in Cdn.\$)**

	Number of Payments	Base Rent Payment	Date Due	
1.			From:	To:
2.			From:	To:
3.			From:	To:
4.			From:	To:
5.			From:	To:
6.			From:	To:
7.			From:	To:
8.			From:	To:
9.			From:	To:
10.			From:	To:
11.			From:	To:
12.			From:	To:

Dated this **4th** day of **March, 2019****LENDER:**
Canadian Equipment Finance & Leasing Inc.BY:  _____Name: Brent Keenan
Title: President**BORROWER:**
Eveley International CorporationBY:  _____Name: Dawn Marie Eveley
Title: President
(I/We have the authority to bind the corporation)

BY: _____

Name:
Title:

BY: _____

Name:
Title:
(I/We have the authority to bind the corporation)

Schedule "B"

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT

SCHEDULE 1

<u>Qty.</u>	<u>Description</u>
1	T-Jaw Vertical Band Saw (1998) Model T700, S/N 9870138 Electrics & Controls
1	TOS Lathe (1970's) Model SN40B, S/N 040 1508 11523 Size: 16" x 60" c/w Tooling, Electrics & Controls & Tracer Attachment
1	Colchester Lathe (1995) Model TriumphVS, S/N VT0623 15" Swing, XZ Readout Electrics & Controls
1	Cincinnati Milacron Universal Milling Machine (1980's) Model Series E40-P-55, S/N 11AP1APE-25 Electrics & Controls
1	Darbert Co. Vertical Milling Machine (1980's) Size: 9" x 60", S/N 9755 c/w X-Y Readout, Electrics & Controls
1	Southwestern Industries Vertical Milling Machine (1997) Model TRAK-DPM, S/N 97-2991 TRAK-AGE3 Console Electrics & Controls

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.1

<u>Qty.</u>	<u>Description</u>
1	Cincinnati Milacron CNC Machining Center (1995) Model 5VC-750, S/N 95095VC86-011 Vickers Acramatic 21000 Controls Electrics & Controls
1	Chevalier Surface Grinder (1980's) Model FSG-618, S/n 02B-4535 c/w Chuck, Electrics & Controls
1	Trademaster Combo Sander/Grinder (1990's) Model TMDS-12M, S/N 01E870991 6" x 48" Belt Electrics & Controls
1	ERLO Vertical Drilling Machine (1980's) Model TCA30, S/N 516/201
1	Mazak CNC Vertical Milling Machine (1998) Model VTC-16B, S/N 132583 Mazatrol M Plus Controls Electrics & Controls
1	Proth Surface Grinder (1995) Model PSGS-3060AH, S/N 50207-05 12" x 24" Chuck Electrics & Controls
1	Archdale Radial Arm Drill (1970's) Model N/A, S/N RD12850 Size: 60" Arm c/w Tool Block Electrics & Controls

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.2

<u>Qty.</u>	<u>Description</u>
1	Mazak CNC Vertical Machining Center (1996) Model HTC-400, S/N 121189, 8,079 Hrs. Mazatrol M Plus Controls Jorgensen Scrap Conveyor (1995) S/N J-951794
1	Matsuura CNC Vertical Milling Machine (1995) Model RA-1F, S/N 940710972 CNC Controls
1	Cincinnati Cylindrical Grinder (1975) Model R78, S/N 27645
1	Emco CNC Lathe (2000) Model EmcoTurn 345, S/N R3GN0901 4,351 Hrs., GE Fanuc Series 21T
1	Ikegai CNC Lathe (2000s) Model Genesis 1210, S/N N/A Fanuc Series 21iT Controls Turbo Conveyor
1	Darbert Vertical Milling Machine (1980s) Model 12" x 60", S/N 9755 XY Readout

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.3

<u>Qty.</u>	<u>Description</u>
1	Takumi Machinery Co. Ltd. CNC Vertical Machining Center (2004) Model V32, S/N K0129 Tool Changer Scrap Conveyor Controls, Fanuc Series 18-M
1	Mazak CNC Machining Center (1999) Model MazaTech Ultra 550, S/N 142131 PC-Fusion CNC Controls

Minor Equipment c/o

Thomas Saw, Model 350ST (2000)

Vertical Band Saw

Custom Arbor Press, 10T

Powermatic Drill Press, Model 1200

2 – Pedestal Grinders

2 – Mobile Lifts

Kahlman Quick-Lift System (2000s)
QLC100, S/N 1067-US4

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2

Qty. Description

Bay No. 1

- 4 Rotary Mobile Truck Lifts (2015)
Model MCH418U101, 18,000 Lb. Cap.
S/N HAM11G0028, S/N HAM11L0012,
S/N HAM11G0014, S/N HAM11L0015
**Not Installed
- 4 PKS Mobile Truck Lifts (2017)
3 – Model PKMC-18E-2B, 32,000 Lb. Cap.
S/N 23881, S/N N/A, S/N N/A
1 – Model PKMC-16-4B0, 64,000 Lb. Cap.
S/N 23972
**Not Installed

Minor Equipment c/o

4 – Rotary 33,000 Lb. Floor Jacks, Model RS33

64 – Steel Mesh Bins

Vertical Baler, 24" x 30"

Darbert Drill Press, S/N 1782/185

Hotsy Hi-Pressure Washer (2006)

Work Benches, Cabinets, Tool Boxes

42 – Pallet Racking Sections, 4' x 10' x 14' H

2 – Mobile Pallet Trucks

66 – Yellow Stacking Bins

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.1

Qty. Description

Bay No. 2 – Axle Component Welding

- | | |
|---|---|
| 1 | Pacific Industrial Horizontal Bulldozer Press (1970s)
Model 100BD, S/N 3425/LC |
| 5 | ESAB Welders, Model 452 CV
Mig 4HD Feeder, Column Mounted |
| 1 | ESAB 352 CV Welder |

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.2**Qty. Description****Shipping Dept.**

Infra Vertical Wrapper
Model EZLP, S/N 85084

7 – Pallet Racking Sections, 4' x 10' x 20' H

60 – Yellow Stacking Bins

2 – Stacking Wire Bins

Valvoline Oil Tank

3 – Starquip Lifters, 75 Kg

Bay No. 3

1 Hannifin Hydraulic Bushing Ass'y Press (1980s)
Model F501, S/N F50A-H-2
5-Ton Cap.

1 Custom Hydraulic Bushing Ass'y Press (1980s)
36" x 48" Table
5 Hp Hydraulic Unit

1 Hyd-Mech Horizontal Band Saw (2008)
Model H10A, S/N HSC0812339
c/w Roller Conveyors

1 Hyd-Mech Horizontal Band Saw (2004)
Model H14A, S/N 50492041
c/w Roller Conveyor

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.3

<u>Qty.</u>	<u>Description</u>
1	Herbert Turret Lathe (1960s) Model 2D, Modified for Chamfering

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONEY CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.4

<u>Qty.</u>	<u>Description</u>
	Minor Equipment c/o
	Plymovent 3000 Exhauster
	8 – Pallet Racking Sections
	3 – Platform Trucks
	Cardinal Platform Scale, 4' x 6'
	Rockwell Tale Saw
	Craftsman Radial Saw
	Dewalt Mitre Saw
	14 – Stacking Bins
	2 – Pallet Trucks
1	Sullair Compressor (2004)
	Model LS10, Airtex Dryer
	Air Tank, 24" x 72" L
1	Canox Welder & Hood
1	Custom Drill Press

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.5

<u>Qty.</u>	<u>Description</u>
1	Pacific Press Brake (1970) Model 100-8, S/N 3901 3/16" x 8' Cap., Autobend Controls
1	Sunrise Fluid Power Inc. Iron Worker (2007) Type Fabmaster Model IW-110S, S/N 37118 c/w Roller Conveyor, Automec Easy Gauge 24" W x 20' L Approx. c/w Attachment (2010)
1	Robotic Axle Welding Cell No. 1 (1993-2006) c/o Motoman Robot XRC-2001 (2001) Yasnac XRC 5V SX Motoman Robot K100S (1993) Yasnac ERC Motoman Robot SV3X K100S (1994) Yasnac ERC 3 – Coolmate Cooling Units Custom Horizontal Axle Welding Fixture (2005) 2 – Custom Vertical Axle Welding Fixtures (2005) c/w Turntable 2 – Panasonic Dip-Pulse Mig Welders Model HM 350 c/w Transformer, Switch and Steel Frame 2 – Weld Cell Control Panels 40 KVA Transformer Hobart Excel-Arc 6045CV Welder c/w Transformer & Switch Axel Transfer Chain Conveyor (2003) 60" W

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.6

Qty. Description

Robotic Welding Cage (2005)

Light Curtains

Electrics & Controls

- 1 Robotic Welding Cell No. 2 (1995/2003) c/o
- 2 – Irco Industries Welding Positioners (2003)
1 – w/ Extended Head Model RP24-MP-500-6
- 2 – Welding Fixtures
- Robot Platform
- 1 – Motoman Robot (1995)
Type YR-K10, S/N RH022-50633
- 2 – Overhead Exhaust Hoods
Size: 30" x 60"
- Wire Cage 10' W x 20' L Approx.
w/ Welding Curtains
- Hobart Welder Excel-Arc 6065 CV
- Yasnac MRC Robot Controller (1995)
Model K10
- Steel Frame
- 6 KVA Transformer
- Electrics & Controls

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.7

Qty. Description

4 Welding Stations w/ Tables c/o

1 – ESAB Welder, 352CV

2 – ESAB Welders, 452CV

1 – ESAB Welder, MP30E

**All w/ Feeders, Partitions

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.8

<u>Qty.</u>	<u>Description</u>
	Minor Equipment
2 –	Jib Cranes, Column Mounted
5 –	Pallet Racking Sections
	Steel Benches & Tables
55 –	Yellow Bins
17 –	Stacking Bins

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.9

Qty. Description

Bay No. 5

- | | |
|---|--|
| 1 | <p>Verson Hydraulic Straight Side Press (1980s)
Model 200HD, S/N 1868
200-Ton Cap., 36" Daylight
Mini-Safe-Be- Safety Curtain, Stroke 20"
Bed Size: 60" x 48" w/ Cushions
Pit Installation (Press Installed 2005)
Electrics & Controls</p> |
| 1 | <p>Verson Hydraulic Straight Side Pres (1980s)
Model 500-HDI-48X72T, S/N 19576
500-Ton Cap., Cushion HP1815
Bed Size: 48" x 72"
28" Stoke, 38" Daylight, Mini-Safe-Be Safety Curtains
Pit Installation (Press Installed 2005)
Electrics & Controls</p> |
| 4 | <p>Welding Stations c/o</p> <p>1 – Miller Welder, Model Deltaweld w/ 70 Series Feeder
1 – ESAB Welder, Model 352CV w/ Mig 4HD Feeder
2 – ESAB Welders, Model 452 CV w/ Mig 2E Feeder
c/w Hood & Fixtures</p> |
| 2 | <p>Greenerd Press & Machine Co. Hydraulic Presses (1998)
Model HCA250-57R27, C-Frame
S/N 98T5420, S/N 98T5419
250-Ton, Control Monitor, 41" x 29" Table</p> |
| 1 | <p>Greenerd Press & Machine Co. Hydraulic Press (1984)
Model HCT-200, S/N 84T4057, C-Frame
200-Ton Cap.
Control Console
Data Instruments Security Curtains
Shadow II
Electrics & Controls</p> |

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.10

<u>Qty.</u>	<u>Description</u>
1	<p>Robotic Welding Cell No. 3 c/o</p> <p>Motoman Robot (2006) Model EA1400N, Controller HP20-AB00 c/w Controls & Transformer</p> <p>2 – Irco Welding Positioners (2003) Model RP24-MP-500-6, 3000 Lb. S/N 13585-1, S/N 13585-2</p> <p>Wire Cage & Gate, 10' x 16' (2003)</p> <p>2 – Exhaust Hoods, 4' x 4' w/ Ducting</p> <p>Miller Arc Welder Model Axxess 450</p> <p>Electrics, Controls & Transformer, 6 KVA</p>
2	<p>Robotic Welding Cells Nos. 4 & 5 c/o</p> <p>2 – Motoman Robots K6SB (1994) c/w Controls & Transformer</p> <p>2 – Irco Welding positioners (2003) Model RP-2A-MP-500-6 S/N 13585-1, S/N 13585-2</p> <p>2 – Exhaust Hoods, 4' x 4' w/ Ducting</p> <p>1 – Wire Cage & Gate, 10' x 20'</p> <p>1 – Hobart Arc Welder Model Excel-Arc 6045 CV</p> <p>Yasnac Arc Welder 450</p> <p>Moto Arc Welder 450</p> <p>New Age Robotics Controls</p> <p>Electrics & Controls, Transformer</p>

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.11

Qty. Description

- | | |
|---|---|
| 1 | <p>Robotic Welding Cell No. 6 c/o</p> <p>Motoman Robot Model K10 (1992)</p> <p>Yasnac ERC Controls (1991)
Model ENCM-RP676</p> <p>2 – Irco Twin Table Welding Positioners
Model PC6A, S/N 11088, 1000 Lb. Cap.</p> <p>Hobart Excel-Arc 8065CV
Welder & Transformer</p> <p>New Age Robotics Controls
Job # NA163-004</p> <p>2 – Exhaust Hoods, 4' x 4'</p> <p>Wire Cage & Gate</p> <p>Electrics & Controls</p> |
| 2 | <p>Welding Cells Nos. 7 & 8 c/o</p> <p>2 – Motoman Welding Tables, 60" Dia.
Model 131069-3</p> <p>2 – Motoman Robots, Model SK6 (1998)</p> <p>2 – Control Panels</p> <p>2 – Motoman Welder & Controls (1998)
MotoArc 350i</p> <p>2 – Wire Cages & Gates, 10' x 10'</p> <p>2 – Exhaust Hoods</p> <p>Electrics & Controls</p> |

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.12

<u>Qty.</u>	<u>Description</u>
1	Custom-Built Hydraulic 4-Post Press (1989-1990) 200-Ton Cap. Size: 48" x 48" Bed Vickers Hydraulic Unit ISB Control Curtains Electrics & Controls
1	Custom-Built Hydraulic 4-Post Press (1986) 400-Ton Cap. Size: 60" x 60" Miller Hydraulic Unit, 2 – 50 Hp Motors Control Console, Electrics & Controls Banner Mini-Screen System (2007) Model MSR2424Y
1	Clifton Hydraulic 4-Post Press (1970) Model 0370, S/N 680 500-Ton Cap., 20" x 20" Platen
1	Custom Hydraulic Press (1970s) 300-Ton Cap. Est.
1	ESAB CNC Plasma Cutting System (2004) Model SABRE SXE4500, S/N 0560988120 Triple Head Torch Ass'y CNC Control Console Cutting Table, 15' x 30' Approx. 2 – Plasmarc 200 Welders Cable Track System Scrap Magnet 20" x 60" (2006) Electrics & Controls

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONEY CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.13

<u>Qty.</u>	<u>Description</u>
1	<p>ESAB Plasma Cutting & Marking System (2009) Precision Plasmarc 360, S/N P-J906068 Coolant Circulator CC-11 c/w Stand Air Curtain Type SG Gas Controller Type RAS Electrics & Controls</p>
1	<p>New Age Robotics Robotic Mig Welding Cell #9 (2001) c/w 2 – Motoman Robots, Model XRC UP6 2 – Control Panels Model XRC 2001 (2002), 100 KVA Genesis Control Panel (2003), Model 3M3, S/N SSD1665 Genesis Three Axis Positioner, Trunion Type Type Genesis Versa 3M3 Max. Tooling Length – 60" Swing Diameter – 40" Weight Capacity – 750 Lb./Side 2 – Miller Deltaweld 452 Power Sources Safety Enclosure, Light Curtains Electric Roll-Up Door, Fence</p> <p>Electrics & Controls</p> <p>Minor Equipment c/o</p> <p>Pallet Racking Sections Yellow Bins Scissor Lift, 3' x 10' Crane Sheet Lifter 4 – Scissor Lifts, 48" Dia. Die Racks 14 – Stacking Bins</p>

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.14

<u>Qty.</u>	<u>Description</u>
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1	Beeline Alignment Machine (2011) 7000 Series Model LC7080, S/N 0435HB **Not Installed
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1	PMI Manufacturing Direct Fired Make-Up Air Unit (2012) Model AW-D-1-32, S/N B-1654 30,000 CFM, 32" Fan, 20 Hp Motor 2800 MBH, Gas Fired
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Note: Located Offsite
Not Inspected, Not Installed
Condition – Assume Fair

Maintenance Shop

Miller Welder, Model DVI1
First Vertical Milling Machine, Model LC18V11S
Skyjack Scissor Lift, Model SJ1113219
Noma Snowblower
2 – ESAB Welders (Need Repairs)
Miller Welder, Model 452
Hyd Pipe Bender, 16-Ton
Pine Mfg. Drill Grinder, Model 300
Racking & Shelving
Work Benches & Cabinets

Mezzanine

11 – Pallet Racking Sections

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.15

Qty. Description

Yard & Outside

1 Dust Collection System (1998-2004) c/o

Torit Downflo Dust Collector (1998)
Model DFT3-12, S/N 1G473304-001
6-Section, Hopper Base

Dust Collector
Size: 8' x 10' x 12' H
Hopper Based
Mounted on A-Frame

Northern Blower (2004)
Size: 300, 50 Hp
S/N A52424-1
30" x 24" Opening

Air Ducting (2004)
Size: 30" x 24" x 20" Approx.

Interior Ducting (2004)
Size: 24" Dia. x 300 Ft. Approx.

6 – Pipe Drops, 8" Dia.

Electrics & Controls

Spare Equipment Located Outside c/o

Universal Scrap Baler

Storage Trailer, 50 Ft.

9 – Storage Containers, 30'-40'

Takisana NC Lathe (1979)
Model Production 310

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVE.
STONEY CREEK, ONTARIO
JANUARY 10, 2019
MOBILE EQUIPMENT**

SCHEDULE 3

<u>Qty.</u>	<u>Description</u>
1	International Flatbed Truck (2010) Model DuraStar 4300 SBA4X2 S/N 1HTMMAAP8AH261969 196,228 Km, 24 Ft. Deck
1	TCM Forklift Truck (1995) Model FCG25T7T S/N A15G02748 2800 Lb. Cap., Hrs. N/A
1	JCB Tractor/Backhoe (2004) Model 214, S/N SLP214TC4U0904140 4818 Hrs., Cab AMI Attachment, JCB 4CK HLA Horst, Model SB400010, S/N 065538 Snow Bucket & Q-Fit Adaptor
1	Toyota Forklift Truck (1993) Model 42-4FGC25, S/N 20711 9798 Hrs.
1	Caterpillar Forklift Truck (1999) Model NRR30, S/N 2NL04717 3000 Lb., Hrs. N/A
1	Nissan Forklift Truck (1999) Model SCP01L18S S/N CSPO1L9A4567 26,199 Hrs.

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVE.
STONEY CREEK, ONTARIO
JANUARY 10, 2019
MOBILE EQUIPMENT**

SCHEDULE 3.1

<u>Qty.</u>	<u>Description</u>
1	TCM Forklift Truck (1992) Model FCG25N6 S/N 48806451 5139 Hrs., 4300 Lb.
1	Crown Electric Pallet Truck (2012) Model ST3000-20 S/N 5A529560 5584 Hrs.
2	Skyjack Scissor Lifts (2004-2006) Model SJ114206 S/N 700701, S/N 71895
1	Snorkelift Boom Lift (1996) Model UNO41B, S/N 96/9820496 500 Lb. Cap., 40 Ft., Hrs. N/A
1	Case Tractor/Forklift (1985) Model 586D, S/N 17019728 5000 Lb. Cap., Hrs. N/A
1	Trade Show Trailer, 16' L (2005) Tandem, Steel Frame Wood Box & Tarp
1	Nissan Forklift Truck (2005) Model FD4B40HV S/N AN29C50043 8600 Lb., Propane 5091 Hrs.

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONEY CREEK, ONTARIO

January 10, 2019

Schedule 4.0

YEAR	FIXTURES	YEAR	DIES AND MOLDS
		2018	EQUALIZER BUSHING MOLD - MULLINS
2017	FORGE SPINDLE TOOLING - MILLENIUM	2016	WRAP FORM DIE (RAGLAN)
	FORGE BEAM END TOOLING - MERCER	2016	12" AIR SPRING PIERCE DIE
	BRAKE CAM ASSEMBLY TOOLING - KSCE		
2016	AXLE ASSEMBLY TABLES (4)		
2016	BRACKET SUPPORT FIXTURE (RAGLAN)		
2016	E6416 WELDING FIXTURE		
2016	SPIDER LOCATION GAUGE		
2016	E6146 WEB ADJUSTING FIXTURE		
2016	E6055 WELDING FIXTURE-4		
2015	E6060 WELDING FIXTURE-4	2015	RTD DROP TOP PLATE FORM DIE
2015	BOLT MARKING FIXTURE	2015	AXLE SEAT FORM DIE
2015	WEB FIXTURE	2015	RATCHET FORM DIE
2015	U-BOLY SPACER MACHINING FIXTURE		
2015	S3112 ARM MACHINING FIXTURE-2		
2015	RTU TACKING FIXTURE-2		
2015	RTU WELDING FIXTURE		
2015	KNUCKLE FIXTURE 3		
2015	DUST SHIELD TOOLING-KSCE-EXTERNAL		
2015	RATCHET ALIGNMENT MECH. TOOL-KSCE		
2015	KNUCKLE TOOLING-MERCER		
2014	KNUCKLE MACHINING FIXTURE	2014	HEAVY DUTY RT BEARM FORM DIE
2014	STRAIGHT AXLE WELDING FIXTURE	2014	RTD DROP TOP PLATE FORM DIE
2014	STEER AXLE BEAM END TACKING FIXTURE	2014	HANGER LEVELING VALVE BRACKET DIE
2014	KNUCKLE WELDING FIXTURE		
2014	SMALL SANDER SUPPORT FIXTURE		
2014	DUAL BELT SANDER FIXTURE		
2014	RTD BEAM TACKING MOD.		
2014	RTT BEAM TACKING MOD.		
2014	RTT BEAM TACKING MOD.		
2014	RTU TOP PLATE PIERCE FORM		
2014	TAKUUMI AXLE FIXTURE		
2014	TAKUUMI VICE ANGLE PLATE		

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONEY CREEK, ONTARIO

January 10, 2019

Schedule 4.1

YEAR	FIXTURES	YEAR	DIES AND MOLDS
2013	KNUCKLE POSITION FIXTURE	2013	BEAD FORM DIE
2013	BUSHING PRESS FIXTURE	2013	2300 HANGER FORM DIE-RIGHT
2013	EBEAM END CNC2	2013	2300 HANGER FORM DIE-LEFT
2013	BREAK PRESS OVERBEND		
2013	KNUCKLE CNC2		
2013	RTU TOP PLATE FORM 1		
2013	RTU2500 TACKING FIXTURE		
2013	RTM TACKING FIXTURE		
2013	MATSUURA SPIDER FIXTURE		
2013	STEER AXLE TILTING TABLE		
2013	2300-15-4 TOP PLATE		
2013	2300-15-5 TOP FORM		
2013	E6002 WELDING FIXTURE		
2013	WELDING FIXTURE-6416-8		
2013	WELDING FIXTURE-6416-6		
2013	FULL DROP ROTISSERIE		
2012	1650SS WELDING FIXTURE		
2012	DROP PADDLE BOTTOM FORM FIXTURE		
2012	E4006-1 WELDING FIXTURE		
2012	E1650SS MACHINING FIXTURE		
2012	RT2500 TACKING FIXTURE		
2012	RT2500 SADDLE WELD FIXTURE		
2012	RT2500 BEAM WELDING FIXTURE		
2012	DROP CENTER ROTISSERIE		
2012	TOOLING FOR KNUCKLES-MERCER FORGE-EXTERNAL		
2011	STAMPED SPIDER MACHINING FIXTURE	2011	STAMPED SPIDER FORM DIE
2011	STEER ARM MACHINING FIXTURE	2011	STAMPED SPIDER PIERCE DIE
		2011	STAMPED SPIDER ANCHOR REINFORCEMENT DIE
		2011	STEER ARM FORM DIE
		2011	ROAD TRACK BOTTOM PLATE FORM DIE
		2011	ROAD TRACK LOWER END FORM DIE
		2011	ROAD TRACK PADDLE FORM DIE
		2011	ROAD TRACK BEAM FORM DIE
		2011	ROAD TRACK PIVOT FORM DIE
		2011	DROP CENTER TUBE FORM DIE
		2011	DROP PADDLE TOP PLATE FORM DIE

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONEY CREEK, ONTARIO

January 10, 2019

Schedule 4.2

YEAR	FIXTURES	YEAR	DIES AND MOLDS
2010	STEERING ARM STEER AXLE & SPIDER FIXTURE	2010	STEERING ARM FORM DIE
2010	YOKE END MULTI VICE JAWS	2010	STEER AXLE BELLOWS PIERCE DIE PLATE
2010	KNUCKLE /BEAM END LIFT AFFECTOR	2010	STEER AXLE LOCK CHAMBER FORM DIE/TORPRESS DIE
2010	Spinduction WELD BASE FEEDER FIXTURE	2010	TIE ROAD CLAMP FORM DIE
2010	STEER ARM/BRAKE CHAMBER WELDING FIXTURE	2010	ROADTRACK TOP PLATE BEAM FORM DIE
2010	TAPPING FIXTURE Fixture		
2010	FORGED SPIDER MACHING FIXTURE		
2010	STEER ARM MACHINING FIXTURE		
2010	SPINDLE and KNUCKLE WELD FIXTURE		
2010	BENT STEERING ARM MACHINING FIXTURE		
2010	WELLAND FORGE FIXTURE		
2009	KNUCKLE MACHING FIXTURE	2009	2300 BUSHING DIE
2009	BEAM END MACHINING FIXTURE	2009	ROADTRACK BOTTOM PLATE BEAM FORM DIE LOW
2009	BEAM PLASMA FIXTURE	2009	ROADTRACK BOTTOM PLATE BEAM FORM DIE TOP MOUNT
		2009	ROADTRACK TOP PLATE BEAM FORM DIE
		2009	ROADTRACK HANGER FORM DIE-RIGHT
		2009	ROADTRACK HANGER FORM DIE-LEFT
		2009	ROADTRACK BEAM FORM DIE
		2009	ROADTRACK BOTTOM PLATE 2 BEAM FORM DIE
		2009	DC AXLE FORM DIE
		2009	ROADTRACK HIGH MOUNT BOTTOM PLATE FORM DIE
		2009	ROADTRACK TOP PLATE BEAM FORM DIE
2008	SLIDER ROTISERIE - 3 UNITS	2008	RA2202-1 FORM DIE
2008	CUSTOM AXLE WELDING FIXTURE	2008	FABRICATED SPIDER DIE
2008	GRIPPER INSERT FIXTURE	2008	E6060 EQUALIZER BEAM FORM DIE
2008	RA2300 TACKING FIXTURE		
2008	RA2300 TACKING FIXTURE		
2008	RA2200 TACKING FIXTURE		
2008	RA2200 TACKING FIXTURE		
2008	AXLE/SUSPENSION INTEGRATION ASSEMBLY		
2007	E6490 WELDING FIXTURE	2007	E6500 TORQUE ROD CONE BUSHING DIE
2007	AXLE ASSEMBLY TABLE	2007	E6490-2 FORM DIE
2007	E6002 ROBOTIC WELDING FIXTURES NEW STYLE	2007	CHAMBER BRACKET PIERCE DIE
2007	RA2300 PLASMA CUTTING FIXTURE	2007	BRAKE CHAMBER BRACKET FORM DIE
2007	RA2207A ALIGNMENT YOKE/WASHER/BOLT	2007	E6501-1 BLANKING DIE
2007	AXLE LOAD LIFT	2007	RA2300-2 TOP PLATE FORM DIE
2007	AXLE LOAD TABLE	2007	RA2300 A-S PIERCE DIE
2007	E6101 ROBOTIC WELDING FIXTURES	2007	RA2300 AXLE SEAT FORM DIE
2007	AXLE LOAD EXPORT TABLE	2007	2300 BEAM FORM DIE
		2007	RA2300-3 BEAM BUSHING FORM DIE

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONE CREEK, ONTARIO


January 10, 2019

Schedule 4.3

YEAR	FIXTURES	YEAR	DIES AND MOLDS
		2007	E6002 SPRING SEAT DIE
		2007	CAM BRACKET DIE
		2007	E6444-4 FORMING DIE
		2007	E6416A-B-C-D AXLE SEAT SIDE PLATE FORM DIE
		2007	RA2300 BRAKE CHAMBER FORM DIE
		2007	E6501-TORQUE ROD SLEEVE PIERCING DIE
		2007	E6444F BOTTOM PLATE DIE
		2007	BODY CLIP PIERCE AND FORM DIE
		2007	EQUALIZER BEAM PIERCE DIE
		2007	RA2300 SADDLE FORM DIE
2006	E6002 SIDE PLATE	2006	E6103 EQUALIZER FRAME BRACKET FORM DIE
2006	TOOLING-DEMSHE SPIDERS	2006	E6002 SIDE PLATE DIE
2006	E6416A-6 AB ROBOT WELDING FIXTURE		E6002 FORM DIE
		2006	E6444-4US SIDE PLATE FORM DIE
		2006	6021 FORM DIE
		2006	6054 FORM DIE
		2006	E6402-6416 HOLE PUNCH DIE
		2006	ABS SENSOR TUBE & MOUNTING CLIP DIE
		2006	2300 AXLE SEAT SIDE PLATE FORM DIE
2005	2300-15-4 TOP PLATE	2005	2300 ARTB ROLL BUSHING DIE
2005	WELDING FIXTURE-E6416-8 AB	2005	E6490 FORM DIE
2005	WELDING FIXTURE-E6416A-6	2005	6416 FORM DIE
2005	E6060-6072 WELDING FIXTURE	2005	E6416B 2" WEB DIE
		2005	E6416A 1" WEB DIE
		2005	BODY CLIP PIERCE & FORM DIE
		2005	6416A BLANKING/PUNCH DIE


Dated this **4th** day of **March**, 2019

LENDER:
Canadian Equipment Finance & Leasing Inc.

BY: 
Name: Brent Keenan
Title: President

BY: _____
Name:
Title:

BORROWER:
Eveley International Corporation

BY: 
Name: Dawn Marie Eveley
Title: President
(I/We have the authority to bind the corporation)

BY: _____
Name:
Title:
(I/We have the authority to bind the corporation)



SCHEDULE "C"

(DEFINITIONS RELATING TO HYPOTHEC)

"Document of Title" means bills of lading, warehouse receipts and similar documents of title.

"Instruments" means,

- (1) a bill, note or cheque within the meaning of the *Bills of Exchange Act* (Canada) or any other writing that evidences a right to the payment of money and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment, or
- (2) a letter of credit and an advice of credit if the letter or advice states that it must be surrendered upon claiming payment thereunder.

"Inventory" means corporeal movable property that is held for sale or lease or that has been leased or that is to be furnished or that has been furnished under a contract of service, or that consists of raw materials, work in process or materials used or consumed in a business.

"Proceeds" means identifiable or traceable movable property in any form derived directly or indirectly from any dealing with the Hypothecated Property or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to the Hypothecated Property or proceeds therefrom.



SCHEDULE "D"

1. Locations of Debtor's Business Operations

665 Arvin Avenue
Stoney Creek, ON
L8E 5R2

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

3. Locations of Collateral (If different from 1. above)



Tab B

This is Exhibit “**B**” to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'B', 'K', and 'C'.

A Commissioner, etc.



Canadian Equipment
FINANCE & LEASING INC.

THIS LOAN AND SECURITY AGREEMENT # 122-11-2019-002 is made the **1st** day of **November, 2019**

BETWEEN: **Eveley International Corporation**, a corporation incorporated under the laws of the Province of **Ontario**, having its chief executive offices at **665 Arvin Avenue, Stoney Creek, ON L8E 5R2**.
(hereinafter referred to as the "Borrower")

- and -

Canadian Equipment Finance & Leasing Inc., an Independent financing and leasing company, having an office at 250 Woolwich St., Unit 5, Breslau, Ontario N0B 1M0 (hereinafter referred to as the Lender").

WHEREAS the Borrower has requested that the Lender make available to it a term loan in the amount of **FIVE HUNDRED FIFTY THOUSAND DOLLARS, ZERO CENTS (\$550,000.00)** of lawful money of Canada on the terms and conditions set out in this Loan and Security Agreement and the Lender has agreed to make such loan to the Borrower on such terms and conditions;

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

The Lender hereby agrees, provided the representations and warranties of the Borrower set forth in this Loan and Security Agreement are true and correct, to advance to the Borrower the Principal Sum of **\$550,000.00** (the "Principal Sum") and the Borrower hereby agrees to repay to the Lender, the Principal Sum:

With interest thereon, pre-computed for the term of this Loan and Security Agreement, at an annual fixed rate of **7.50%** per annum (based on a 365 day year), ☒ in **48** consecutive monthly payments of principal and interest of **\$13,336.65** each payable on the **15th** day of each month commencing **December 15th, 2019** or ☐ as set out in the attached Schedule "A". The total payments of principal and interest due over the term of this Loan and Security Agreement (excluding interest charged on amounts past due) are equal to **\$640,159.20**.

-or-

☐ with interest thereon at the variable rate per annum as hereinafter defined (the "Variable Rate") calculated daily both before and after default and compounded monthly on the payment date set out below, in consecutive monthly payments of \$ _____ each payable on the _____ day of each month commencing _____ or as set out in the attached Schedule "A" (such payments to be applied firstly in payment of accrued interest on the amount of the balance of the Principal Sum remaining unpaid and secondly in reduction of the Principal Sum) and one final payment in the amount of the unpaid Principal Sum and interest accrued thereon, as herein calculated, payable on the last scheduled payment date. The Variable Rate shall be equal to the per annum prime rate of interest (as established by the Lender and charged to its commercial customers for Canadian dollar loans) in effect as at 9:00 a.m. on the last banking day of each and every month plus ____%. As of the date of this Loan and Security Agreement, the Lender's prime rate is equal to ____%.

The terms and conditions on the following pages of this Loan and Security Agreement and on any schedules or attachments form part of this Loan and Security Agreement, have been read by the Borrower and are binding upon the Borrower and Lender.

Executed this **1st** day of **November, 2019**

LENDER:
Canadian Equipment Finance & Leasing Inc.

BY: _____

Name: Brent Keenan
Title: President

BY: _____

Name:
Title:

BORROWER:
Eveley International Corporation

BY: _____

Name: Dawn Marie Eveley
Title: President
(I/We have the authority to bind the corporation)

BY: _____

Name:
Title:
(I/We have the authority to bind the corporation)

TERMS AND CONDITIONS

1. **PREPAYMENT** - Any prepayment of the Principal Sum may only be made with the Lender's prior written consent and on terms which shall reasonably compensate the Lender for any reduction in its rate of return on the Principal Sum based, in part, on the Lender's cost of funding the Principal Sum.

2. **SECURITY INTEREST**

(a) The Borrower hereby grants to the Lender a security interest in:

(i) the type, item or kind of equipment described in Schedule "B" hereto together with all additions, attachments, appliances, parts, instruments, appurtenances, accessories, furnishings and other parts of whatever nature which may from time to time be incorporated or installed in or attached to the equipment and any and all replacements, substitutions or exchanges therefor and the proceeds of every type, item or kind (cash and non-cash), including insurance proceeds thereof (the "**Equipment**");

(ii) to the extent the Equipment may constitute or be deemed to be inventory, such Equipment now or hereafter offered or furnished under any contract of service or intended for sale or lease, any and all additions, attachments, accessories and accessions thereto, any and all substitutions, replacements or exchanges thereof, any and all leases, subleases, rentals, accounts and contracts with respect to the Equipment which may now exist or hereafter arise, together with all rights thereunder and all rental and other payments and purchase options due and to become due thereunder, any and all sales proceeds payable for such property, all insurance, bonds and/or other proceeds of the property and all returned or repossessed Equipment now or at any time or times hereafter in the possession or control of the Borrower or the undersigned (the "**Inventory**");

(iii) all accounts, book accounts and book debts, dues, claims, choses in action and demands of any nature now owned by the Borrower or hereafter acquired or owned by the Borrower that might arise or result from any lease or other disposition of any of the Equipment or the Inventory, including, but not limited to, any right of the Borrower to payment for Equipment or Inventory sold or leased or under any contract for services, whether or not evidenced by an instrument or chattel paper, and whether or not such right has been earned by performance (the "**Accounts**"); and

(iv) with respect to Equipment, Inventory and Accounts, all deeds, documents, writings, papers, books of account and other books relating to or being records of debts, chattel paper or documents of title (including, without limitation, computer programs, tapes, and related electronic data processing software) or by which such are or may hereafter be secured, evidenced, acknowledged or made payable (the "**Documents**").

(v) the Equipment, Inventory, Accounts, Documents and all proceeds of every type, item and kind of the foregoing are hereinafter referred to as the "**Collateral**".

(b) As continuing and collateral security for the payment and performance of the Indebtedness (as defined below), the Borrower hereby hypothecates in favour of the Lender the Collateral (the "**Hypothecated Property**") for the amount of (\$) Dollars in lawful money of Canada and interest thereon as determined on page 1 of this Loan and Security Agreement (the "**Hypothec**").¹

(c) 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 the Borrower shall stand possessed of such last day in trust to assign the same to any person acquiring such term. The Security Interest granted hereunder is intended to constitute a Purchase Money Security Interest to the extent such interest satisfies the requirements of the PPSA.

(d) The terms "chattel paper", "document of title", "instrument", "proceeds", "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* (Ontario), 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 "**PPSA**". "Security Interest" when used herein shall include the security interests granted under paragraph 2(a) and the Hypothec granted under paragraph 2(b). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". Notwithstanding any other provision of this Loan and Security Agreement, for purposes of interpretation, registration and enforcement of this Loan and Security Agreement in the Province of Quebec only, the terms set out in the attached Schedule "C" shall have the meanings ascribed therein. The Hypothec will be governed by and construed in accordance with the laws of the Province of Quebec.

3. **INDEBTEDNESS SECURED** - The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Borrower to the Lender (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, incurred under, this Loan and Security Agreement, any other agreement or arrangement between Borrower and Lender 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 the Borrower 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 an Event of Default, to satisfy all Indebtedness of the Borrower, the Borrower acknowledges and agrees that the Borrower shall continue to be liable for any Indebtedness remaining outstanding and the Lender shall be entitled to pursue full payment thereof.

4. **REPRESENTATIONS AND WARRANTIES OF THE BORROWER** - The Borrower hereby represents and warrants:

(a) The Borrower is duly incorporated and organized and is validly existing under the laws of its jurisdiction of incorporation and has full corporate power and capacity to execute and deliver this Loan and Security Agreement and to perform its obligations hereunder.

(b) The execution and delivery of this Loan and Security Agreement by the Borrower, the performance by the Borrower of its obligations hereunder and the creation of any security interest in or assignment hereunder of the Borrower's rights in the Collateral to the Lender: (a) have been duly authorized by all necessary or proper corporate or other action; (b) are not in contravention of any provision of the articles or memorandum of association or incorporation, by-laws, unanimous shareholders' agreement, or any directors' or shareholders' resolution, of the Borrower; (c) will not violate any law or regulation, or any order or decree of any court or governmental body; and (d) will not conflict with or result in the breach or termination of, constitute a default under, or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its property or assets is bound (or would be bound but for such default) and as at the date of any advance hereunder the Borrower is not otherwise in default under any such indenture, mortgage, deed of trust, lease, agreement or other instrument.

(c) This Loan and Security Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, winding-up, moratorium, reorganization, or other similar laws affecting creditors' rights generally, and to the availability of equitable remedies.

(d) No Event of Default has occurred and is continuing.

(e) The address listed on page 1 is the chief executive office of the Borrower and, unless otherwise provided for in Schedule "D", is the location where all of the Collateral, material books and records of the Borrower are kept.

(f) The Collateral is genuine and owned by the Borrower free of all security interests, mortgages, liens, claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances approved in writing by the Lender, prior to their creation or assumption.

(g) The description of the Equipment and the corresponding serial numbers and/or vehicle identification numbers ("**VIN**") provided in Schedule "B" hereto is accurate and complete.

(h) Each Account constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Borrower to the Lender 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 the Borrower which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise.

All of the representations and warranties referred to in this Loan and Security Agreement shall be continuing representations and warranties and shall be deemed to be made at all times that there is any Indebtedness or liability of the Borrower to the Lender outstanding.

5. **COVENANTS OF THE BORROWER** - So long as this Loan and Security Agreement remains in effect, the Borrower covenants and agrees:

(a) to punctually pay (or cause to be paid) the Principal Sum and interest hereunder and all other sums falling due or payable hereunder on the dates and in the manner specified herein;

¹ In Quebec, capitalize amount by an additional 20%.

Initial: 

- (b) to maintain its corporate existence and file or cause to be filed any returns, documents or other information necessary to preserve such corporate existence;
- (c) to do or cause to be done all things necessary or desirable to keep in full force and effect its corporate existence and qualifications to carry on business in those jurisdictions where such qualification may be necessary or desirable and in a proper and efficient manner in accordance with normal industry standards;
- (d) to notify the Lender forthwith upon becoming aware of any Event of Default;
- (e) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those Encumbrances approved in writing, prior to their creation or assumption, by the Lender, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Lender; provided always that, until the occurrence of an Event of Default hereunder, the Borrower may, in the ordinary course of the Borrower's business, lease inventory;
- (f) to notify the Lender promptly of:
- (i) the locations of the Borrower's business operations, books and records and assets, including the Collateral, if such location is different from the address listed on page 1 or on the attached Schedule "D".
 - (ii) any change in the information contained herein, including, without limitation, a change in the Borrower's name, the Borrower's business or the Collateral or in the Schedules hereto relating to the Borrower, the Borrower's business or the Collateral,
 - (iii) the details of any significant acquisition of Collateral, claims or litigation affecting the Borrower or the Collateral,
 - (iv) any loss or damage to the Collateral,
 - (v) any default by any Account Debtor in payment or other performance of his/her obligations with respect to the Collateral, and
 - (vi) the return to or repossession by any other lender or person of the Collateral;
- (g) to keep the Collateral in good working order, condition and repair and not to use the Collateral in violation of the provisions of this Loan and Security Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (h) 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 the Lender with respect to the Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- (i) to pay all taxes, expenses, rates, levies, assessments and other charges of every nature which may now or hereafter be lawfully levied, assessed or imposed against or in respect of the Borrower or the Collateral as and when the same become due and payable;
- (j) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Borrower, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- (k) to prevent the Collateral, except inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Loan and Security Agreement;
- (l) to carry on and conduct the business of the Borrower in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, proper books of account for the Borrower's business as well as accurate and complete records concerning the Collateral, and mark any and all such records and the Collateral at the Lender's request so as to indicate the Security Interest;
- (m) to deliver to the Lender from time to time promptly upon request:
- (1) any documents of title, instruments, chattel paper constituting, representing or relating to Collateral;
 - (2) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (3) balance sheet and statements of profit and loss and each category of surplus for each fiscal quarter within 60 days of the end of the fiscal quarter and audited consolidated financial statements for each fiscal year within 120 days of the end of the fiscal year and such other financial information and statements as Lender may from time to time require;
 - (4) all policies and certificates of insurance relating to the Collateral, and
 - (5) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as the Lender may reasonably request.
6. **USE AND VERIFICATION OF COLLATERAL** - Subject to compliance with the Borrower's covenants contained herein, the Borrower may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Borrower's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time, at the Borrower's expense, to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Borrower agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where the Collateral may be located and to all premises occupied by the Borrower.
7. **COLLECTION OF DEBTS** - After default under this Loan and Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on the Collateral to the Lender. The Borrower acknowledges that any payments on or other proceeds of the Collateral received by the Borrower from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after the occurrence of an Event of Default under this Loan and Security Agreement shall be received and held by the Borrower in trust for the Lender and shall be turned over to the Lender upon request.
8. **INCOME FROM AND INTEREST ON COLLATERAL**
- (a) Until the occurrence of an Event of Default, the Borrower reserves the right to receive any money constituting income from or interest on the Collateral and if the Lender receives any such money prior to the occurrence of an Event of Default, the Lender shall either credit the same against the Indebtedness or pay the same promptly to the Borrower.
- (b) After the occurrence of an Event of Default, the Borrower will not request or receive any money constituting income from or interest on the Collateral and if the Borrower receives any such money, the Borrower will pay the same promptly to the Lender.
9. **DISPOSITION OF MONEY** - Subject to any applicable requirements of the PPSA, all money collected or received by the Lender pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied on account of Indebtedness in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Borrower, all without prejudice to the liability of the Borrower or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.
10. **EVENTS OF DEFAULT** - The happening of any of the following events or conditions shall constitute an "Event of Default" hereunder:
- (a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest or other obligations forming part of the Indebtedness or the failure of the Borrower to observe or perform any obligation, covenant, term, provision or condition contained in this Loan and Security Agreement or any other agreement between the Borrower and the Lender;
- (b) the Borrower commits or threatens to commit any act of bankruptcy or insolvency; the filing against the Borrower of a petition in bankruptcy; the making of an assignment for the benefit of creditors by the Borrower; the appointment of a receiver or trustee for the Borrower or for any assets of the Borrower or the institution by or against the Borrower of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act*, the *Companies Creditors Arrangement Act* or any other bankruptcy or insolvency law or otherwise;

Initial: 

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

(d) If any Encumbrance affecting the Collateral becomes enforceable against the Collateral;

(e) if the Borrower 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;

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

(g) if the Borrower overtaxes, overloads, misuses, damages, destroys or abuses any of the Collateral or uses it for any illegal purpose;

(h) if the Borrower fails to remit proceeds from any sale, lease or other transfer of the Collateral to the Lender within 10 days of such sale, lease or other transfer;

(i) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Borrower pursuant to or in connection with this Loan and Security Agreement, the Indebtedness, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with the Borrower, 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 the Borrower; or if upon the date of execution of this Loan and 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 the Lender at or prior to the time of such execution.

(j) If Borrower is a privately held corporation or limited partnership and effective control of Borrower's voting capital stock or partnership interests, issued and outstanding from time to time, is not retained by the present holders (unless Borrower shall have provided thirty (30) days prior written notice to Lender of the proposed disposition and Lender shall have consented thereto in writing);

(k) If Borrower is a publicly held corporation and there is a material change in the ownership of Borrower's capital stock, unless Lender is satisfied as to the creditworthiness of Borrower and as to Borrower's conformance to the other standard criteria then used by Lender for such purpose immediately after such change of ownership.

11. ACCELERATION - The Lender, in its sole discretion, may, with or without legal process, demand or notice of any kind and without any liability to the Lender whatsoever, declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, upon (i) the occurrence of an Event of Default, or (ii) if the Lender in good faith believes that the ability of the Borrower to pay amounts owing, or to perform its obligations, whether owing and due under this Loan and Security Agreement, any agreement relating to the Indebtedness or any other agreement now or hereafter in effect between the Borrower and the Lender is or is about to become impaired, or (iii) if the Lender in good faith believes that the Collateral is in danger of being lost, damaged or confiscated. The Lender's right to accelerate payment under this section is subject to any statutory provisions but in addition to any other right or remedy the Lender may have (including those of the Lender under the PPSA). The provisions of this Section are not intended in any way to affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

12. REMEDIES

(a) Upon the occurrence of an Event of Default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of the 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 the Debtor and not the Lender, and the Lender 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 the Collateral, to preserve the Collateral or its value, and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any such Receiver may enter upon, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situated and maintain the Collateral upon such premises. Except as may be otherwise directed by the Lender, 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 the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

(b) Upon default, the Lender 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 Section 12(a).

(c) Upon the occurrence of an Event of Default, the Lender may (i) require the Borrower to assemble any or all Equipment at the location to which the Equipment was delivered or the location to which such Equipment may have been moved by the Borrower or such other location in reasonable proximity to either of the foregoing as the Lender shall designate; or to return promptly, at the Borrower's expense, any or all of the Equipment to the Lender at the location, in the condition and otherwise in accordance with all of the terms of any agreement between the Borrower and the Lender; and/or (ii) enter into any premises where any unit of Equipment is believed to be located and take possession of and render unusable by the Borrower any or all of the Equipment, wherever it may be located, without any court order or other process of law and without liability for any damages occasioned by such taking of possession, other than as is caused by the gross negligence or wilful misconduct of the Lender (any such taking of possession shall not prohibit the Lender from exercising its other remedies hereunder); and (iii) take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof.

(d) The Lender, if it repossesses the Collateral, will retain the Collateral for the period of time required by law and if the Collateral is not redeemed within that time by the Borrower, the Lender may store, repair and recondition the Collateral and may sell, lease or otherwise dispose of the Collateral in a lawful manner, and upon such terms, including deferred payment, as the Lender may deem appropriate. The proceeds of any such sale, when actually received in cash by the Lender and after deduction of all charges, expenses, and commissions, including solicitor's fees and expenses incurred in connection with such repossession, storage, repairing, reconditioning and sale of the Collateral shall be applied toward the payment of all amounts owing by the Borrower. All payments previously received shall be retained by the Lender and shall remain credited to the Borrower's account. The Borrower shall be liable for any deficiency. The surplus, if any, shall be credited to the Borrower's account and if no other amounts are then owing, such surplus shall be paid to the Borrower or to such other party as may be entitled by law thereto.

(e) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Borrower and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after the occurrence of an Event of Default, all rights and remedies of a secured party under the PPSA; provided always, that the Lender 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 the Collateral or to institute any proceedings for such purposes.

(f) The Borrower agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Lender 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 the Borrower's accounts, in preparing, administering or enforcing this Loan and Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of the 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 the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

(g) The Borrower appoints any officer or director or branch manager of the Lender upon the occurrence of an Event of Default to be its attorney in accordance with applicable legislation with full power of substitution and to do on the Borrower's behalf anything that is required to assign or transfer, and to record any assignment 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.

(h) All rights and remedies hereunder are cumulative and alternative and, in particular, the Lender shall be entitled to pursue all of its rights hereunder either consecutively or concurrently and no right or interest in the Collateral shall be extinguished or merged by the commencement of any legal proceeding or the taking of judgment for all or any part of the monies which are or may become due and owing pursuant to this Loan and Security Agreement or pursuant to any agreement renewing or extending or collateral to this Loan and Security Agreement.

13. MISCELLANEOUS

(a) The Lender shall open and maintain on its books in accordance with its usual practice, accounts and records evidencing the amounts owing hereunder by the Borrower to the Lender. The Lender shall enter in such books each payment of the Principal Sum, interest and fees and all other amounts paid by the Borrower and becoming due hereunder to the Lender. Such books and records maintained by the Lender will constitute, in the absence of manifest error, *prima facie* evidence of the Indebtedness hereunder of the Borrower to the Lender, and the amount the Borrower has paid from time to time on account of the Principal Sum, interest and fees.

(b) For purposes of disclosure pursuant to the *Interest Act* (Canada), the annual rates of interest or fees to which the rates of interest or fees provided hereunder are equivalent, are the rates so determined multiplied by the actual number of days in the applicable calendar year and divided by 365.

Initial: 

(c) The Borrower hereby authorizes the Lender 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 the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Borrower's business is carried on and the Collateral and records relating thereto are situate) as the Lender may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest and the Borrower hereby irrevocably constitutes and appoints any officer of the Lender the true and lawful attorney of the Borrower, with full power of substitution, to do any of the foregoing in the name of the Borrower whenever and wherever it may be deemed necessary or expedient.

(d) Without limiting any other right of the Lender, whenever Indebtedness is immediately due and payable or the Lender has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Lender may, in its sole discretion, set off against Indebtedness any and all amounts then owed to the Borrower by the Lender in any capacity, whether or not due, and the Lender 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 the Lender's records subsequent thereto.

(e) Upon the Borrower's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all of such duties, and the Borrower shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 1.5% per month (19.56% per annum).

(f) The Lender 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 the Borrower, the Account Debtors, sureties and others and with the Collateral and other security as the Lender may see fit without prejudice to the liability of the Borrower or the Lender's right to hold and realize on the Security Interest. Furthermore, the Lender may demand, collect and sue on the Collateral in either the Borrower's or the Lender's name, at the Lender's option, and may endorse the Borrower's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting the Collateral.

(g) No delay or omission by the Lender 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, the Lender may remedy any Event of Default by the Borrower hereunder or with respect to any Indebtedness in any reasonable manner without waiving the Event of Default remedied and without waiving any other prior or subsequent Event of Default by the Borrower. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(h) This Loan and 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 Loan and Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Borrower shall not assert against the assignee any claim or defence which the Borrower now has or hereafter may have against the Lender. The Lender may assign this Loan and Security Agreement to any person without obtaining the Borrower's consent. The Borrower may not assign this Loan and Security Agreement to any person.

(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 Loan and 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 Section 13(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 the Lender, 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 the Borrower, if delivered to it or sent by prepaid registered mail addressed to it at its last address known to the Lender. 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 Loan and Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by the Lender and is intended to be a continuing Loan and Security Agreement and shall remain in full force and effect until the Borrower 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 the Borrower, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon and after such notice any realization costs and expenses shall be paid in full.

(l) 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.

(m) In the event any provisions of this Loan and 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 Loan and Security Agreement shall remain in full force and effect.

(n) Except as already contemplated herein nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(o) The Borrower acknowledges that the Borrower and the Lender intend for the Security Interest to attach upon the execution of this Loan and Security Agreement (or, in the case of any property acquired subsequent thereto, upon the date of such acquisition) and that value has been given and that the Borrower has (or in the case of after-acquired property, will have) rights in Collateral. The parties acknowledge and agree that this Loan and Security Agreement and the Security Interest are intended to be a "security agreement" and "security interest," within the meaning of the PPSA.

(p) The Borrower 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 "the Borrower" 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 the Lender at the time of amalgamation and any "Indebtedness" of the amalgamated company to the Lender thereafter arising.

(q) The Borrower waives the rights, benefits and protection given by *The Civil Enforcement Act* of Alberta or any amendment or successor legislation thereto and the Borrower, if a corporation, agrees that the *Limitation of Civil Rights Act* of the Province of Saskatchewan, or any provision thereof, shall have no application to this Loan and Security Agreement or any agreement or instrument renewing or extending or collateral to this Loan and Security Agreement. In the event that the Borrower is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act*, the Borrower agrees with the Lender that all of Part IV (other than Section 46) of that Act shall not apply to the Borrower.

(r) This Loan and Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province of Ontario, as the same may from time to time be in effect. The Borrower and the Lender or its successors and assigns irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of Ontario and of Canada sitting in Ontario in any action or proceeding arising out of or relating to this Loan and Security Agreement, other than any such action or proceeding arising out of or relating to the Hypothec, and irrevocably agree that all such actions and proceedings may be heard and determined in such courts. The Borrower and the Lender or its successors and assigns irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of Quebec and of Canada sitting in Quebec in any action or proceeding arising out of or relating specifically to the Hypothec, and irrevocably agree that all such actions and proceedings may be heard and determined in such courts.

(s) For purposes of the Province of Quebec, notice of application for registration in the register of personal and moveable rights of the Hypothec created herein can be made either by the Borrower or the Lender and the date after which such registration ceases to be effective is hereby fixed at 10 years after the date of such registration. However, the Lender may unilaterally renew such registration before it ceases to be effective.

14. COPY OF AGREEMENT

(a) The Borrower hereby acknowledges receipt of a copy of this Loan and Security Agreement.

(b) The Borrower waives the Borrower's right to receive a copy of any financing statement or financing change statement registered by the Lender, or of any verification statement with respect to any financing statement or financing change statement registered by the Lender. (This section 14(b) is not applicable in the Province of Ontario).

15. LANGUAGE OF AGREEMENT - The Borrower has expressly requested that this document be drawn up in the English language. Le(s) soussigné(s) a (ont) expressement demandé que ce document soit rédigé en langue anglaise.

Initial: 

VARIABLE PAYMENT SCHEDULE "A"**(SCHEDULE OF PAYMENTS TO BE FILLED IN ONLY IF VARIABLE PAYMENTS APPLY)****N/A****(Note: All Payments to be made in Cdn.\$)**

	Number of Payments	Base Rent Payment	Date Due	
1.			From:	To:
2.			From:	To:
3.			From:	To:
4.			From:	To:
5.			From:	To:
6.			From:	To:
7.			From:	To:
8.			From:	To:
9.			From:	To:
10.			From:	To:
11.			From:	To:
12.			From:	To:

Dated this **1st** day of **November, 2019**
LENDER:
Canadian Equipment Finance & Leasing Inc.

BY: _____

 Name: Brent Keenan
 Title: President

BORROWER:
Eveley International Corporation

BY: _____

 Name: Dawn Marie Eveley
 Title: President
 (I/We have the authority to bind the corporation)

BY: _____

 Name:
 Title:

BY: _____

 Name:
 Title:
 (I/We have the authority to bind the corporation)

SCHEDULE "C"

(DEFINITIONS RELATING TO HYPOTHEC)

"Document of Title" means bills of lading, warehouse receipts and similar documents of title.

"Instruments" means,

- (1) a bill, note or cheque within the meaning of the *Bills of Exchange Act* (Canada) or any other writing that evidences a right to the payment of money and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment, or
- (2) a letter of credit and an advice of credit if the letter or advice states that it must be surrendered upon claiming payment thereunder.

"Inventory" means corporeal movable property that is held for sale or lease or that has been leased or that is to be furnished or that has been furnished under a contract of service, or that consists of raw materials, work in process or materials used or consumed in a business.

"Proceeds" means identifiable or traceable movable property in any form derived directly or indirectly from any dealing with the Hypothecated Property or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to the Hypothecated Property or proceeds therefrom.

Initial: 

SCHEDULE "D"

1. Locations of Debtor's Business Operations

665 Arvin Avenue
Stoney Creek, ON
L8E 5R2

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

3. Locations of Collateral (If different from 1. above)

Initial: _____

A handwritten signature in blue ink, appearing to be 'J. H.', is written over the initial line.

Schedule "B"

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1

<u>Qty.</u>	<u>Description</u>
1	T-Jaw Vertical Band Saw (1998) Model T700, S/N 9870138 Electrics & Controls
1	TOS Lathe (1970's) Model SN40B, S/N 040 1508 11523 Size: 16" x 60" c/w Tooling, Electrics & Controls & Tracer Attachment
1	Colchester Lathe (1995) Model TriumphVS, S/N VT0623 15" Swing, XZ Readout Electrics & Controls
1	Cincinnati Milacron Universal Milling Machine (1980's) Model Series E40-P-55, S/N 11AP1APE-25 Electrics & Controls
1	Darbert Co. Vertical Milling Machine (1980's) Size: 9" x 60", S/N 9755 c/w X-Y Readout, Electrics & Controls
1	Southwestern Industries Vertical Milling Machine (1997) Model TRAK-DPM, S/N 97-2991 TRAK-AGE3 Console Electrics & Controls

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.1

<u>Qty.</u>	<u>Description</u>
1	Cincinnati Milacron CNC Machining Center (1995) Model 5VC-750, S/N 95095VC86-011 Vickers Acramatic 21000 Controls Electrics & Controls
1	Chevalier Surface Grinder (1980's) Model FSG-618, S/n 02B-4535 c/w Chuck, Electrics & Controls
1	Trademaster Combo Sander/Grinder (1990's) Model TMDS-12M, S/N 01E870991 6" x 48" Belt Electrics & Controls
1	ERLO Vertical Drilling Machine (1980's) Model TCA30, S/N 516/201
1	Mazak CNC Vertical Milling Machine (1998) Model VTC-16B, S/N 132583 Mazatrol M Plus Controls Electrics & Controls
1	Proth Surface Grinder (1995) Model PSGS-3060AH, S/N 50207-05 12" x 24" Chuck Electrics & Controls
1	Archdale Radial Arm Drill (1970's) Model N/A, S/N RD12850 Size: 60" Arm c/w Tool Block Electrics & Controls

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.2

<u>Qty.</u>	<u>Description</u>
1	Mazak CNC Vertical Machining Center (1996) Model HTC-400, S/N 121189, 8,079 Hrs. Mazatrol M Plus Controls Jorgensen Scrap Conveyor (1995) S/N J-951794
1	Matsuura CNC Vertical Milling Machine (1995) Model RA-1F, S/N 940710972 CNC Controls
1	Cincinnati Cylindrical Grinder (1975) Model R78, S/N 27645
1	Emco CNC Lathe (2000) Model EmcoTurn 345, S/N R3GN0901 4,351 Hrs., GE Fanuc Series 21T
1	Ikegai CNC Lathe (2000s) Model Genesis 1210, S/N N/A Fanuc Series 21iT Controls Turbo Conveyor
1	Darbert Vertical Milling Machine (1980s) Model 12" x 60", S/N 9755 XY Readout

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN DRIVE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINE SHOP EQUIPMENT**

SCHEDULE 1.3

<u>Qty.</u>	<u>Description</u>
1	Takumi Machinery Co. Ltd. CNC Vertical Machining Center (2004) Model V32, S/N K0129 Tool Changer Scrap Conveyor Controls, Fanuc Series 18-M
1	Mazak CNC Machining Center (1999) Model MazaTech Ultra 550, S/N 142131 PC-Fusion CNC Controls
	Minor Equipment c/o
	Thomas Saw, Model 350ST (2000)
	Vertical Band Saw
	Custom Arbor Press, 10T
	Powermatic Drill Press, Model 1200
	2 – Pedestal Grinders
	2 – Mobile Lifts
	Kahlman Quick-Lift System (2000s) QLC100, S/N 1067-US4

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2

Qty. Description

Bay No. 1

- | | |
|---|--|
| 4 | Rotary Mobile Truck Lifts (2015)
Model MCH418U101, 18,000 Lb. Cap.
S/N HAM11G0028, S/N HAM11L0012,
S/N HAM11G0014, S/N HAM11L0015
**Not Installed |
| 4 | PKS Mobile Truck Lifts (2017)
3 – Model PKMC-18E-2B, 32,000 Lb. Cap.
S/N 23881, S/N N/A, S/N N/A
1 – Model PKMC-16-4B0, 64,000 Lb. Cap.
S/N 23972
**Not Installed |

Minor Equipment c/o

4 – Rotary 33,000 Lb. Floor Jacks, Model RS33

64 – Steel Mesh Bins

Vertical Baler, 24" x 30"

Darbert Drill Press, S/N 1782/185

Hotsy Hi-Pressure Washer (2006)

Work Benches, Cabinets, Tool Boxes

42 – Pallet Racking Sections, 4' x 10' x 14' H

2 – Mobile Pallet Trucks

66 – Yellow Stacking Bins

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.1

Qty. **Description**

Bay No. 2 – Axle Component Welding

- | | |
|---|---|
| 1 | Pacific Industrial Horizontal Bulldozer Press (1970s)
Model 100BD, S/N 3425/LC |
| 5 | ESAB Welders, Model 452 CV
Mig 4HD Feeder, Column Mounted |
| 1 | ESAB 352 CV Welder |
| 1 | Demag Overhead Bridge Crane (1990s/2007)
2-Ton Cap. x 50 Span, S/N 80506
w/ KITO 2-Ton Hoist, Top Trolleys
Mounted on Runway, 100 Ft. Approx.
Structural Steel Support (7-Columns) |
| 1 | Overhead Bridge Crane
2-Ton Girder x 50' Span
w/ 5-Ton Street Hoist |
| 3 | Gorbel Overhead Bridge Cranes (2007) c/o

1 – 8' Span x 50' L, 1 Beam w/ 1-Ton Yale Hoist

1 – 12' Span x 50' L, 6 Beams w/ 500 Lb. Hoists

1 – 9' Span x 50' L, 1 Beam w/ 500 Lb. Hoist

Mounted on 3 – Support I-Beam Frames, 40' L
w/ 6 – Support Columns |

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.2

Qty. Description

Shipping Dept.

Infra Vertical Wrapper
Model EZLP, S/N 85084

7 – Pallet Racking Sections, 4' x 10' x 20' H

60 – Yellow Stacking Bins

2 – Stacking Wire Bins

Valvoline Oil Tank

3 – Starquip Lifters, 75 Kg

Bay No. 3

1 Hannifin Hydraulic Bushing Ass'y Press (1980s)
Model F501, S/N F50A-H-2
5-Ton Cap.

1 Custom Hydraulic Bushing Ass'y Press (1980s)
36" x 48" Table
5 Hp Hydraulic Unit

1 Hyd-Mech Horizontal Band Saw (2008)
Model H10A, S/N HSC0812339
c/w Roller Conveyors

1 Hyd-Mech Horizontal Band Saw (2004)
Model H14A, S/N 50492041
c/w Roller Conveyor

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.3

<u>Qty.</u>	<u>Description</u>
1	Gorbel/O'Brien Overhead Crane System (2006) 12-Section, 20' W x 120' L 5-Hoist & Beam Ass'y, 2,000 Lb. Cap.
1	Gorbel Overhead Crane (2006) 20' L x 10' W, 1-Section 1,000 Lb. Cap. c/w Hoists
1	Gorbel Overhead Crane System (2006) 3-Section, 20' W x 60' L 2 – 2,000 Lb. Hoists & Beams
1	Air Compressor System c/o Kaeser Air Compressor (2000) Model BS61, S/N 1201, 50 Hp Kaeser Air Dryer (2000) Model TD6, S/N 1107 Air Receiver, 250 Gal. Structural Steel Platform 10' x 20' w/ Stairway
1	Herbert Turret Lathe (1960s) Model 2D, Modified for Chamfering

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.4

Qty. Description

Minor Equipment c/o

Plymovent 3000 Exhauster
8 – Pallet Racking Sections
3 – Platform Trucks
Cardinal Platform Scale, 4' x 6'
Rockwell Tale Saw
Craftsman Radial Saw
Dewalt Mitre Saw
14 – Stacking Bins
2 – Pallet Trucks

1 Sullair Compressor (2004)
Model LS10, Airtek Dryer
Air Tank, 24" x 72" L

1 Canox Welder & Hood

1 Custom Drill Press

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.5

<u>Qty.</u>	<u>Description</u>
1	Pacific Press Brake (1970) Model 100-8, S/N 3901 3/16" x 8' Cap., Autobend Controls
1	Sunrise Fluid Power Inc. Iron Worker (2007) Type Fabmaster Model IW-110S, S/N 37118 c/w Roller Conveyor, Automec Easy Gauge 24" W x 20' L Approx. c/w Attachment (2010)
1	Robotic Axle Welding Cell No. 1 (1993-2006) c/o Motoman Robot XRC-2001 (2001) Yasnac XRC 5VSX Motoman Robot K100S (1993) Yasnac ERC Motoman Robot SV3X K100S (1994) Yasnac ERC 3 – Coolmate Cooling Units Custom Horizontal Axle Welding Fixture (2005) 2 – Custom Vertical Axle Welding Fixtures (2005) c/w Turntable 2 – Panasonic Dip-Pulse Mig Welders Model HM 350 c/w Transformer, Switch and Steel Frame 2 – Weld Cell Control Panels 40 KVA Transformer Hobart Excel-Arc 6045CV Welder c/w Transformer & Switch Axel Transfer Chain Conveyor (2003) 60" W

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.6

<u>Qty.</u>	<u>Description</u>
	Robotic Welding Cage (2005)
	Light Curtains
	Electrics & Controls
1	Robotic Welding Cell No. 2 (1995/2003) c/o
	2 – Irco Industries Welding Positioners (2003)
	1 – w/ Extended Head Model RP24-MP-500-6
	2 – Welding Fixtures
	Robot Platform
	1 – Motoman Robot (1995)
	Type YR-K10, S/N RH022-50633
	2 – Overhead Exhaust Hoods
	Size: 30" x 60"
	Wire Cage 10' W x 20' L Approx.
	w/ Welding Curtains
	Hobart Welder Excel-Arc 6065 CV
	Yasnac MRC Robot Controller (1995)
	Model K10
	Steel Frame
	6 KVA Transformer
	Electrics & Controls

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.7

Qty. Description

4 Welding Stations w/ Tables c/o
1 – ESAB Welder, 352CV
2 – ESAB Welders, 452CV
1 – ESAB Welder, MP30E

**All w/ Feeders, Partitions

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.8

<u>Qty.</u>	<u>Description</u>
2	Overhead Cranes c/o
	10-Ton Crane x 40' Span
	5-Ton Crane x 30' Span
	50 Ft. Runway
	I-Beam, 8 Columns
	Runway, Structural Steel
1	Gorbel Crane System (2007)
	60' L, 3-Section
	4 – Runways, 60' L
	2 – Runways, 20' L
	2 – 1,000 Lb. Beams & Hoists x 10' L
	1 – 1,000 Lb. Beam & Hoist x 20' L
	1 – 1,000 Lb. Beam & Hoist x 12' L
	4 – Structural I-Beam Frames, 60' L
	8 – Support Columns
	Minor Equipment
	2 – Jib Cranes, Column Mounted
	5 – Pallet Racking Sections
	Steel Benches & Tables
	55 – Yellow Bins
	17 – Stacking Bins

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.9**Qty. Description****Bay No. 5**

- | | |
|---|--|
| 1 | <p>Verson Hydraulic Straight Side Press (1980s)
Model 200HD, S/N 1868
200-Ton Cap., 36" Daylight
Mini-Safe-Be- Safety Curtain, Stroke 20"
Bed Size: 60" x 48" w/ Cushions
Pit Installation (Press Installed 2005)
Electrics & Controls</p> |
| 1 | <p>Verson Hydraulic Straight Side Pres (1980s)
Model 500-HDI-48X72T, S/N 19576
500-Ton Cap., Cushion HP1815
Bed Size: 48" x 72"
28" Stoke, 38" Daylight, Mini-Safe-Be Safety Curtains
Pit Installation (Press Installed 2005)
Electrics & Controls</p> |
| 4 | <p>Welding Stations c/o</p> <p>1 – Miller Welder, Model Deltaweld w/ 70 Series Feeder
1 – ESAB Welder, Model 352CV w/ Mig 4HD Feeder
2 – ESAB Welders, Model 452 CV w/ Mig 2E Feeder
c/w Hood & Fixtures</p> |
| 2 | <p>Greenerd Press & Machine Co. Hydraulic Presses (1998)
Model HCA250-57R27, C-Frame
S/N 98T5420, S/N 98T5419
250-Ton, Control Monitor, 41" x 29" Table</p> |
| 1 | <p>Greenerd Press & Machine Co. Hydraulic Press (1984)
Model HCT-200, S/N 84T4057, C-Frame
200-Ton Cap.
Control Console
Data Instruments Security Curtains
Shadow II
Electrics & Controls</p> |

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.10

<u>Qty.</u>	<u>Description</u>
1	<p>Robotic Welding Cell No. 3 c/o</p> <p>Motoman Robot (2006) Model EA1400N, Controller HP20-AB00 c/w Controls & Transformer</p> <p>2 – Irco Welding Positioners (2003) Model RP24-MP-500-6, 3000 Lb. S/N 13585-1, S/N 13585-2</p> <p>Wire Cage & Gate, 10' x 16' (2003)</p> <p>2 – Exhaust Hoods, 4' x 4' w/ Ducting</p> <p>Miller Arc Welder Model Axxess 450</p> <p>Electrics, Controls & Transformer, 6 KVA</p>
2	<p>Robotic Welding Cells Nos. 4 & 5 c/o</p> <p>2 – Motoman Robots K6SB (1994) c/w Controls & Transformer</p> <p>2 – Irco Welding positioners (2003) Model RP-2A-MP-500-6 S/N 13585-1, S/N 13585-2</p> <p>2 – Exhaust Hoods, 4' x 4' w/ Ducting</p> <p>1 – Wire Cage & Gate, 10' x 20'</p> <p>1 – Hobart Arc Welder Model Excel-Arc 6045 CV</p> <p>Yasnac Arc Welder 450</p> <p>Moto Arc Welder 450</p> <p>New Age Robotics Controls</p> <p>Electrics & Controls, Transformer</p>

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.11

<u>Qty.</u>	<u>Description</u>
1	<p>Robotic Welding Cell No. 6 c/o</p> <p>Motoman Robot Model K10 (1992)</p> <p>Yasnac ERC Controls (1991)</p> <p>Model ENCM-RP676</p> <p>2 – Irco Twin Table Welding Positioners</p> <p>Model PC6A, S/N 11088, 1000 Lb. Cap.</p> <p>Hobart Excel-Arc 8065CV</p> <p>Welder & Transformer</p> <p>New Age Robotics Controls</p> <p>Job # NA163-004</p> <p>2 – Exhaust Hoods, 4' x 4'</p> <p>Wire Cage & Gate</p> <p>Electrics & Controls</p>
2	<p>Welding Cells Nos. 7 & 8 c/o</p> <p>2 – Motoman Welding Tables, 60" Dia.</p> <p>Model 131069-3</p> <p>2 – Motoman Robots, Model SK6 (1998)</p> <p>2 – Control Panels</p> <p>2 – Motoman Welder & Controls (1998)</p> <p>MotoArc 350i</p> <p>2 – Wire Cages & Gates, 10' x 10'</p> <p>2 – Exhaust Hoods</p> <p>Electrics & Controls</p>

<u>Qty.</u>	<u>Description</u>
1	Custom-Built Hydraulic 4-Post Press (1989-1990) 200-Ton Cap. Size: 48" x 48" Bed Vickers Hydraulic Unit ISB Control Curtains Electrics & Controls
1	Custom-Built Hydraulic 4-Post Press (1986) 400-Ton Cap. Size: 60" x 60" Miler Hydraulic Unit, 2 – 50 Hp Motors Control Console, Electrics & Controls Banner Mini-Screen System (2007) Model MSR2424Y
1	Clifton Hydraulic 4-Post Press (1970) Model 0370, S/N 680 500-Ton Cap., 20" x 20" Platen
1	Custom Hydraulic Press (1970s) 300-Ton Cap. Est.
1	ESAB CNC Plasma Cutting System (2004) Model SABRE SXE4500, S/N 0560988120 Triple Head Torch Ass'y CNC Control Console Cutting Table, 15' x 30' Approx. 2 – Plasmarc 200 Welders Cable Track System Scrap Magnet 20" x 60" (2006) Electrics & Controls

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.13

<u>Qty.</u>	<u>Description</u>
1	ESAB Plasma Cutting & Marking System (2009) Precision Plasmarc 360, S/N P-J906068 Coolant Circulator CC-11 c/w Stand Air Curtain Type SG Gas Controller Type RAS Electrics & Controls
1	New Age Robotics Robotic Mig Welding Cell #9 (2001) c/w 2 – Motoman Robots, Model XRC UP6 2 – Control Panels Model XRC 2001 (2002), 100 KVA Genesis Control Panel (2003), Model 3M3, S/N SSD1665 Genesis Three Axis Positioner, Trunion Type Type Genesis Versa 3M3 Max. Tooling Length – 60" Swing Diameter – 40" Weight Capacity – 750 Lb./Side 2 – Miller Deltaweld 452 Power Sources Safety Enclosure, Light Curtains Electric Roll-Up Door, Fence Electrics & Controls
1	Overhead Bridge Crane (2005) 10-Ton Cap. x 40' Span Mounted on Runway w/ Support Columns Minor Equipment c/o Pallet Racking Sections Yellow Bins Scissor Lift, 3' x 10' Crane Sheet Lifter 4 – Scissor Lifts, 48" Dia. Die Racks 14 – Stacking Bins

**EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT**

SCHEDULE 2.14

<u>Qty.</u>	<u>Description</u>
-------------	--------------------

- | | |
|---|---|
| 1 | Beeline Alignment Machine (2011)
7000 Series
Model LC7080, S/N 0435HB
**Not Installed |
| 1 | PMI Manufacturing
Direct Fired Make-Up Air Unit (2012)
Model AW-D-1-32, S/N B-1654
30,000 CFM, 32" Fan, 20 Hp Motor
2800 MBH, Gas Fired |

Note: Located Offsite
Not Inspected, Not Installed
Condition – Assume Fair

Maintenance Shop

Miller Welder, Model DV11
First Vertical Milling Machine, Model LC18V11S
Skyjack Scissor Lift, Model SJ1113219
Noma Snowblower
2 – ESAB Welders (Need Repairs)
Miller Welder, Model 452
Hyd Pipe Bender, 16-Ton
Pine Mfg. Drill Grinder, Model 300
Racking & Shelving
Work Benches & Cabinets

Mezzanine

11 – Pallet Racking Sections

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVENUE
STONE CREEK, ONTARIO
JANUARY 10, 2019
MACHINERY & EQUIPMENT

SCHEDULE 2.15

Qty. **Description**

Yard & Outside

1 Dust Collection System (1998-2004) c/o

Torit Downflo Dust Collector (1998)
 Model DFT3-12, S/N 1G473304-001
 6-Section, Hopper Base

Dust Collector
 Size: 8' x 10' x 12' H
 Hopper Based
 Mounted on A-Frame

Northern Blower (2004)
 Size: 300, 50 Hp
 S/N A52424-1
 30" x 24" Opening

Air Ducting (2004)
 Size: 30" x 24" x 20" Approx.

Interior Ducting (2004)
 Size: 24" Dia. x 300 Ft. Approx.

6 – Pipe Drops, 8" Dia.

Electrics & Controls

Spare Equipment Located Outside c/o

Universal Scrap Baler

Storage Trailer, 50 Ft.

9 – Storage Containers, 30'-40'

Takisana NC Lathe (1979)
 Model Production 310

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVE.
STONE CREEK, ONTARIO
JANUARY 10, 2019
MOBILE EQUIPMENT

SCHEDULE 3

<u>Qty.</u>	<u>Description</u>
1	International Flatbed Truck (2010) Model DuraStar 4300 SBA4X2 S/N 1HTMMAAP8AH261969 196,228 Km, 24 Ft. Deck
1	TCM Forklift Truck (1995) Model FCG25T7T S/N A15G02748 2800 Lb. Cap., Hrs. N/A
1	JCB Tractor/Backhoe (2004) Model 214, S/N SLP214TC4U0904140 4818 Hrs., Cab AMI Attachment, JCB 4CK HLA Horst, Model SB400010, S/N 065538 Snow Bucket & Q-Fit Adaptor
1	Toyota Forklift Truck (1993) Model 42-4FGC25, S/N 20711 9798 Hrs.
1	Caterpillar Forklift Truck (1999) Model NRR30, S/N 2NL04717 3000 Lb., Hrs. N/A
1	Nissan Forklift Truck (1999) Model SCP01L18S S/N CSPO1L9A4567 26,199 Hrs.

EVELEY ALIGNMENT & SPRING SERVICES LIMITED
665 ARVIN AVE.
STONE CREEK, ONTARIO
JANUARY 10, 2019
MOBILE EQUIPMENT

SCHEDULE 3.1

<u>Qty.</u>	<u>Description</u>
1	TCM Forklift Truck (1992) Model FCG25N6 S/N 48806451 5139 Hrs., 4300 Lb.
1	Crown Electric Pallet Truck (2012) Model ST3000-20 S/N 5A529560 5584 Hrs.
2	Skyjack Scissor Lifts (2004-2006) Model SJ114206 S/N 700701, S/N 71895
1	Snorkelift Boom Lift (1996) Model UNO41B, S/N 96/9820496 500 Lb. Cap., 40 Ft., Hrs. N/A
1	Case Tractor/Forklift (1985) Model 586D, S/N 17019728 5000 Lb. Cap., Hrs. N/A
1	Trade Show Trailer, 16' L (2005) Tandem, Steel Frame Wood Box & Tarp
1	Nissan Forklift Truck (2005) Model FD4B40HV S/N AN29C50043 8600 Lb., Propane 5091 Hrs.

Schedule 4.0

[illegible]

January 10, 2019

Schedule 4.1

YEAR	FIXTURES	YEAR	DIES AND MOLDS
2013	KNUCKLE POSITION FIXTURE	2013	BEAD FORM DIE
2013	BUSHING PRESS FIXTURE	2013	2300 HANGER FORM DIE-RIGHT
2013	EBEAM END CNC2	2013	2300 HANGER FORM DIE-LEFT
2013	BREAK PRESS OVERBEND		
2013	KNUCKLE CNC2		
2013	RTU TOP PLATE FORM 1		
2013	RTU2500 TACKING FIXTURE		
2013	RTM TACKING FIXTURE		
2013	MATSUURA SPIDER FIXTURE		
2013	STEER AXLE TILTING TABLE		
2013	2300-15-4 TOP PLATE		
2013	2300-15-5 TOP FORM		
2013	E6002 WELDING FIXTURE		
2013	WELDING FIXTURE-6416-8		
2013	WELDING FIXTURE-6416-6		
2013	FULL DROP ROTISSERIE		
2012	1650SS WELDING FIXTURE		
2012	DROP PADDLE BOTTOM FORM FIXTURE		
2012	E4006-1 WELDING FIXTURE		
2012	E1650SS MACHINING FIXTURE		
2012	RT2500 TACKING FIXTURE		
2012	RT2500 SADDLE WELD FIXTURE		
2012	RT2500 BEAM WELDING FIXTURE		
2012	DROP CENTER ROTISSERIE		
2012	TOOLING FOR KNUCKLES-MERCER FORGE-EXTERNAL		
2011	STAMPED SPIDER MACHINING FIXTURE	2011	STAMPED SPIDER FORM DIE
2011	STEER ARM MACHINING FIXTURE	2011	STAMPED SPIDER PIERCE DIE
		2011	STAMPED SPIDER ANCHOR REINFORCEMENT DIE
		2011	STEER ARM FORM DIE
		2011	ROAD TRACK BOTTOM PLATE FORM DIE
		2011	ROAD TRACK LOWER END FORM DIE
		2011	ROAD TRACK PADDLE FORM DIE
		2011	ROAD TRACK BEAM FORM DIE
		2011	ROAD TRACK PIVOT FORM DIE
		2011	DROP CENTER TUBE FORM DIE
		2011	DROP PADDLE TOP PLATE FORM DIE

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONEY CREEK, ONTARIO

January 10, 2019

Schedule 4.2

YEAR	FIXTURES	YEAR	DIES AND MOLDS
2010	STEERING ARM STEER-AXLE & SPIDER FIXTURE	2010	STEERING ARM FORM DIE
2010	YOKE END MULTI VICE JAWS	2010	STEER AXLE BELLOWS PIERCE DIE PLATE
2010	KNUCKLE /BEAM END LIFT AFFECTOR	2010	STEER AXLE LOCK CHAMBER FORM DIE/TORPRESS DIE
2010	Spinduction WELD BASE FEEDER FIXTURE	2010	TIE ROAD CLAMP FORM DIE
2010	STEER ARM/BRAKE CHAMBER WELDING FIXTURE	2010	ROADTRACK TOP PLATE BEAM FORM DIE
2010	TAPPING FIXTURE Fixture		
2010	FORGED SPIDER MACHINING FIXTURE		
2010	STEER ARM MACHINING FIXTURE		
2010	SPINDLE and KNUCKLE WELD FIXTURE		
2010	BENT STEERING ARM MACHINING FIXTURE		
2010	WELLAND FORGE FIXTURE		
2009	KNUCKLE MACHINING FIXTURE	2009	2300 BUSHING DIE
2009	BEAM END MACHINING FIXTURE	2009	ROADTRACK BOTTOM PLATE BEAM FORM DIE LOW
2009	BEAM PLASMA FIXTURE	2009	ROADTRACK BOTTOM PLATE BEAM FORM DIE TOP MOUNT
		2009	ROADTRACK TOP PLATE BEAM FORM DIE
		2009	ROADTRACK HANGER FORM DIE-RIGHT
		2009	ROADTRACK HANGER FORM DIE-LEFT
		2009	ROADTRACK BEAM FORM DIE
		2009	ROADTRACK BOTTOM PLATE 2 BEAM FORM DIE
		2009	DC AXLE FORM DIE
		2009	ROADTRACK HIGH MOUNT BOTTOM PLATE FORM DIE
		2009	ROADTRACK TOP PLATE BEAM FORM DIE
2008	SLIDER ROTISERIE - 3 UNITS	2008	RA2202-1 FORM DIE
2008	CUSTOM AXLE WELDING FIXTURE	2008	FABRICATED SPIDER DIE
2008	GRIPPER INSERT FIXTURE	2008	E6060 EQUALIZER BEAM FORM DIE
2008	RA2300 TACKING FIXTURE		
2008	RA2300 TACKING FIXTURE		
2008	RA2200 TACKING FIXTURE		
2008	RA2200 TACKING FIXTURE		
2008	AXLE/SUSPENSION INTEGRATION ASSEMBLY		
2007	E6490 WELDING FIXTURE	2007	E6500 TORQUE ROD CONE BUSHING DIE
2007	AXLE ASSEMBLY TABLE	2007	E6490-2 FORM DIE
2007	E6002 ROBOTIC WELDING FIXTURES NEW STYLE	2007	CHAMBER BRACKET PIERCE DIE
2007	RA2300 PLASMA CUTTING FIXTURE	2007	BRAKE CHAMBER BRACKET FORM DIE
2007	RA2207A ALIGNMENT YOKE/WASHER/BOLT	2007	E6501-1 BLANKING DIE
2007	AXLE LOAD LIFT	2007	RA2300-2 TOP PLATE FORM DIE
2007	AXLE LOAD TABLE	2007	RA2300 A-S PIERCE DIE
2007	E6101 ROBOTIC WELDING FIXTURES	2007	RA2300 AXLE SEAT FORM DIE
2007	AXLE LOAD EXPORT TABLE	2007	2300 BEAM FORM DIE
		2007	RA2300-3 BEAM BUSHING FORM DIE

EVELEY ALIGNMENT & SPRING SERVICE LIMITED

665 ARVIN AVENUE

STONE CREEK, ONTARIO

January 10, 2019

Schedule 4.3

YEAR	FIXTURES	YEAR	DIES AND MOLDS
		2007	E6002 SPRING SEAT DIE
		2007	CAM BRACKET DIE
		2007	E6444-4 FORMING DIE
		2007	E6416A-B-C-D AXLE SEAT SIDE PLATE FORM DIE
		2007	RA2300 BRAKE CHAMBER FORM DIE
		2007	E6501-TORQUE ROD SLEEVE PIERCING DIE
		2007	E6444F BOTTOM PLATE DIE
		2007	BODY CLIP PIERCE AND FORM DIE
		2007	EQUALIZER BEAM PIERCE DIE
		2007	RA2300 SADDLE FORM DIE
2006	E6002 SIDE PLATE	2006	E6103 EQUALIZER FRAME BRACKET FORM DIE
2006	TOOLING-DEMSHE SPIDERS	2006	E6002 SIDE PLATE DIE
2006	E6416A-6 AB ROBOT WELDING FIXTURE		E6002 FORM DIE
		2006	E6444-4US SIDE PLATE FORM DIE
		2006	6021 FORM DIE
		2006	6054 FORM DIE
		2006	E6402-6416 HOLE PUNCH DIE
		2006	ABS SENSOR TUBE & MOUNTING CLIP DIE
		2006	2300 AXLE SEAT SIDE PLATE FORM DIE
2005	2300-15-4 TOP PLATE	2005	2300 ARTB ROLL BUSHING DIE
2005	WELDING FIXTURE-E6416-8 AB	2005	E6490 FORM DIE
2005	WELDING FIXTURE-E6416A-6	2005	6416 FORM DIE
2005	E6060-6072 WELDING FIXTURE	2005	E6416B 2" WEB DIE
		2005	E6416A 1" WEB DIE
		2005	BODY CLIP PIERCE & FORM DIE
		2005	6416A BLANKING/PUNCH DIE



**Canadian Equipment
FINANCE & LEASING INC.**

250 Woolwich St., Unit 5, Breslau, Ontario N0B 1M0
PH: (519) 648-3898 FX: (519) 648-3382

**CERTIFICATE OF DELIVERY, INSPECTION AND ACCEPTANCE
LOAN AND SECURITY AGREEMENT**

RE: Loan and Security Agreement # **122-11-2019-002** dated the 1st day of November, 2019 ("Loan") between Lender and the undersigned ("Borrower")

Borrower hereby certifies that:

1. Borrower has selected the manufacturer(s) and supplier(s) of the equipment described in the Loan (the "Equipment");
2. the Equipment was delivered to the Borrower;
3. the Equipment is as ordered, has been assembled, installed and tested and is operating in accordance with manufacturers' specifications, and is satisfactory for the purposes for which Borrower intends to use the Equipment;
4. Borrower has made or caused to be made all such tests and inspections of the Equipment as Borrower has reasonably deemed necessary to satisfy itself as to the foregoing paragraph; and
5. Borrower has conclusively accepted the Equipment for all purposes.

Dated at Stoney Creek, ON this **1st** day of **November**, 2019.

Eveley International Corporation

By:  _____

Name: Dawn Marie Eveley

Title: President

(I/We have the authority to bind the corporation)

***DIRECTION TO PAY
LOAN AND SECURITY AGREEMENT***

RE: Loan and Security Agreement # **122-11-2019-002** dated the **1st** day of **November**, 2019 ("Loan") between **Eveley International Corporation** as Borrower and Canadian Equipment Finance & Leasing Inc. ("CEFL") as Lender.

Acquisition of Eveley Manufacturing Equipment

In Consideration of the execution of the above referenced Loan and Security Agreement and the advance of funds to be made thereunder, you are hereby authorized and directed to make payment of the funds to be advanced as follows:

1.	To: Eveley International Corporation	\$550,000.00	Equipment Cost
	665 Arvin Avenue		
	Stoney Creek, ON		
	L8E 5R2		

To:

To:

TOTAL:

\$550,000.00

And this shall be your good and sufficient authority for so doing.

Dated at Stoney Creek, ON this **1st** day of **November**, 2019.

Eveley International Corporation

By: 

Name: Dawn Marie Eveley

Title: President

(I/We have the authority to bind the corporation)

Tab C

This is Exhibit "C" to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'RBC' followed by a period.

A Commissioner, etc.



**Canadian Equipment
FINANCE & LEASING INC.**

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made the 4th day of March, 2019.

BETWEEN: **Eveley International Corporation**, a corporation incorporated under the laws of Ontario, having its chief executive offices at 665 Arvin Avenue, Stoney Creek, Ontario L8E 5R2 (hereinafter referred to as the "**Debtor**")

- and -

Canadian Equipment Finance & Leasing Inc., an independent finance and leasing company having an office at 250 Woolwich St., Unit 5, Breslau, Ontario N0B 1M0 (hereinafter referred to as "**CEFL**")

1. SECURITY INTEREST

- a) **FOR VALUE RECEIVED**, the Debtor hereby grants to CEFL a security interest (the "**Security Interest**") in all present and after-acquired property, assets and undertaking of the Debtor and the proceeds thereof (hereinafter referred to as "**Collateral**") including, without limitation:
- (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;
 - (iv) 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;
 - (v) all contractual rights and insurance claims; and
 - (vi) all patents, industrial designs and trade-marks, and any registrations and applications for registration of any of the foregoing.
- 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 the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.
- c) The terms "chattel paper", "document of title", "instrument", "proceeds", "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 (Ontario), 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 "**PPSA**". 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 the Debtor to CEFL (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 the 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 to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and CEFL shall be entitled to pursue full payment thereof.

3. **REPRESENTATIONS AND WARRANTIES OF THE DEBTOR** - The Debtor hereby represents and warrants:

- a) *The Debtor is duly incorporated and organized and is validly existing under the laws of its jurisdiction of incorporation and has full corporate power and capacity to execute and deliver this Security Agreement and to perform its obligations hereunder.*
- b) *The execution and delivery of this Security Agreement by the Debtor, the performance by the Debtor of its obligations hereunder and the creation of any security interest in or assignment hereunder of the Debtor's rights in the Collateral to CEFL: (a) have been duly authorized by all necessary or proper corporate or other action; (b) are not in contravention of any provision of the articles or memorandum of association or incorporation, by-laws, unanimous shareholders' agreement, or any directors' or shareholders' resolution, of the Debtor; (c) will not violate any law or regulation, or any order or decree of any court or governmental body; and (d) will not conflict with or result in the breach or termination of, constitute a default under, or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which the Debtor is a party or by which the Debtor or any of its property or assets is bound (or would be bound but for such default).*
- c) *This Security Agreement constitutes a legal, valid and binding obligation of the Debtor enforceable against the Debtor in accordance with its terms, subject to applicable bankruptcy, insolvency, winding-up, moratorium, reorganization, or other similar laws affecting creditors' rights generally, and to the availability of equitable remedies.*
- d) *No Event of Default (as defined below) has occurred and is continuing.*
- e) *The address listed above is the chief executive office of the Debtor and is the location where all of the material books and records of the Debtor and the Collateral are kept.*
- f) *The Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances approved in writing by CEFL, prior to their creation or assumption.*
- g) *Each Account constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Debtor to CEFL 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 the Debtor which can be asserted against CEFL, whether in any proceeding to enforce Collateral or otherwise.*

All of the representations and warranties referred to in this Security Agreement shall be continuing representations and warranties and shall be deemed to be made at all times that there is any Indebtedness or liability of the Debtor to CEFL outstanding.

4. **COVENANTS OF THE DEBTOR** - So long as this Security Agreement remains in effect, the Debtor covenants and agrees:

- a) to notify CEFL forthwith upon becoming aware of any Event of Default;
- b) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by CEFL, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of the Collateral or any interest therein without the prior written consent of CEFL; provided always that, until an Event of Default has occurred, the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory;
- c) to notify CEFL promptly of:
 - (i) the locations of the Debtor's business operations, books and records, assets and Collateral if such location is different from the address listed above.
 - (ii) any change in the information contained herein, including, without limitation, a change in the Debtor's name or the Debtor's business,
 - (iii) the details of any significant acquisition of Collateral, claims or litigation affecting the Debtor or the Collateral,
 - (iv) any loss or damage to the Collateral,
 - (v) any default by any Account Debtor in payment or other performance of his/her obligations with respect to the Collateral, and
 - (vi) the return to or repossession by the Debtor of the Collateral;
- d) to keep the Collateral in good working order, condition and repair and not to use the Collateral in violation of the provisions of this Security Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- e) 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 CEFL of or with respect to the Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- f) to pay all taxes, expenses, rates, levies, assessments and other charges of every nature which may now or hereafter be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same becomes due and payable;
- g) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage and such other risks as CEFL shall reasonably direct with loss payable to CEFL and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- h) to prevent the Collateral, except Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;
- i) to carry on and conduct the business of the Debtor in a proper and efficient manner so as to protect and preserve the Collateral and to keep, in accordance with Canadian generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral, and mark any and all such records and the Collateral at CEFL's request so as to indicate the Security Interest;
- j) to deliver to CEFL from time to time promptly upon request:
 - (i) any documents of title, instruments, 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 the Collateral for the purpose of inspecting, auditing or copying the same,*
 - (iii) *all financial statements prepared by or for the Debtor regarding the Debtor's business,*
 - (iv) *all policies and certificates of insurance relating to the Collateral, and*
 - (v) *such information concerning the Collateral, the Debtor and the Debtor's business and affairs as CEFL may reasonably request.*
5. **USE AND VERIFICATION OF COLLATERAL** - Subject to compliance with the Debtor's covenants contained herein, the Debtor may, until an Event of Default has occurred, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that CEFL shall have the right at any time and from time to time, at the Debtor's expense, to verify the existence and state of the Collateral in any manner CEFL may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as CEFL may reasonably request in connection therewith and for such purpose to grant to CEFL or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.
6. **COLLECTION OF DEBTS** - Before or after an Event of Default under this Security Agreement, CEFL may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on the Collateral to CEFL. The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after an Event of Default under this Security Agreement shall be received and held by the Debtor in trust for CEFL and shall be turned over to CEFL upon request.
7. **INCOME FROM AND INTEREST ON COLLATERAL**
- a) *Until an Event of Default has occurred, the Debtor reserves the right to receive any money constituting income from or interest on the Collateral and if CEFL receives any such money prior to an Event of Default, CEFL shall either credit the same against the Indebtedness or pay the same promptly to the Debtor.*
 - b) *After an Event of Default has occurred, the Debtor will not request or receive any money constituting income from or interest on the Collateral and if the Debtor receives any such money without any request by it, the Debtor will pay the same promptly to CEFL.*
8. **DISPOSITION OF MONEY** - Subject to any applicable requirements of the PPSA, all money collected or received by CEFL pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied on account of Indebtedness in such manner as CEFL deems best or, at the option of CEFL, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of CEFL hereunder, and any surplus shall be accounted for as required by law.
9. **EVENTS OF DEFAULT** - The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as an "Event of Default":
- a) *the nonpayment when due, whether by acceleration or otherwise, of any principal or interest or other obligations forming part of the Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between the Debtor and CEFL;*
 - b) *the occurrence of an event of default under any other agreement between the Debtor and CEFL;*
 - c) *the Debtor commits or threatens to commit bankruptcy or insolvency; the filing against the Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor or the*

institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act, the Companies Creditors Arrangement Act or otherwise;

- d) *the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Debtor;*
- e) *if any Encumbrance affecting the Collateral becomes enforceable against the Collateral;*
- f) *if the 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 the Debtor or any of its property or if distress or analogous process is levied upon the assets of the Debtor or any part thereof;*
- h) *if the Debtor overtaxes, overloads, misuses, damages, destroys or abuses any of the Collateral or uses it for any illegal purpose;*
- i) *if the Debtor fails to remit proceeds from any sale, lease or other transfer of the Collateral to CEFL within 10 days of such sale, lease or other transfer;*
- j) *if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Security Agreement, the Indebtedness, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to CEFL to extend any credit to or to enter into this or any other agreement with the 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 the 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 CEFL at or prior to the time of such execution.*

10. **ACCELERATION** - CEFL, in its sole discretion, may, with or without legal process, demand or notice of any kind and without any liability to CEFL whatsoever, declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable upon (i) the occurrence of an Event of Default, or (ii) if CEFL in good faith believes that the ability of the Debtor to pay amounts owing, or to perform its obligations, whether owing and due under this Security Agreement, any agreement relating to the Indebtedness or any other agreement now or hereafter in effect between the Debtor and CEFL is or is about to become impaired, or (iii) if CEFL in good faith believes that the Collateral is in danger of being lost, damaged or confiscated. CEFL's right to accelerate payment under this section is subject to any statutory provisions but is in addition to any other right or remedy CEFL may have (including those of CEFL under the PPSA). The provisions of this Section are not intended in any way to affect any rights of CEFL with respect to any Indebtedness which may now or hereafter be payable on demand.

11. REMEDIES

- a) *Upon an Event of Default, CEFL may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of CEFL or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of the 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 the Debtor and not CEFL, and CEFL 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 the Collateral, to preserve the Collateral or its value, and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any such Receiver may enter upon, use and*

- occupy all premises owned or occupied by the Debtor wherein the Collateral may be situate and maintain the Collateral upon such premises. Except as may be otherwise directed by CEFL, 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 CEFL. Every such Receiver may, in the discretion of CEFL, be vested with all or any of the rights and powers of CEFL.
- b) Upon an Event of Default, CEFL 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 Section 11(a).
 - c) Upon an Event of Default, CEFL may (i) require the Debtor to assemble any or all Collateral at the location to which the Collateral was delivered or the location to which such Collateral may have been moved by the Debtor or such other location in reasonable proximity to either of the foregoing as CEFL shall designate; or to return promptly, at the Debtor's expense, any or all of the Collateral to CEFL at the location, in the condition and otherwise in accordance with all of the terms of any agreement between the Debtor and CEFL; and/or (ii) enter into any premises where any unit of Collateral is believed to be located and take possession of and render unusable by the Debtor any or all of the Collateral, wherever it may be located, without any court order or other process of law and without liability for any damages occasioned by such taking of possession (other than as is caused by the gross negligence or wilful misconduct of CEFL) (any such taking of possession shall not prohibit CEFL from exercising its other remedies hereunder); and (iii) take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof.
 - d) CEFL, if it repossesses the Collateral, will retain the Collateral for the period of time required by law and if the Collateral is not redeemed within that time by the Debtor, CEFL may store, repair and recondition the Collateral and may sell, lease or otherwise dispose of the Collateral in a lawful manner, and upon such terms, including deferred payment, as CEFL may deem appropriate. The proceeds of any such sale, when actually received in cash by CEFL and after deduction of all charges, expenses, and commissions, including solicitor's fees and expenses incurred in connection with such repossession, storage, repairing, reconditioning and sale of the Collateral shall be applied toward the payment of all amounts owing by the Debtor hereunder. All payments previously received shall be retained by CEFL and shall remain credited to the Debtor's account. The Debtor shall be liable for any deficiency. The surplus, if any, shall be credited to the Debtor's account and if no other amounts are then owing, such surplus shall be paid to the Debtor or to such other party as may be entitled by law thereto.
 - e) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and CEFL and in addition to any other rights CEFL may have at law or in equity, CEFL shall have, both before and after an Event of Default, all rights and remedies of a secured party under the PPSA; provided always, that CEFL 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 the Collateral or to institute any proceedings for such purposes.
 - f) The Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by CEFL 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 the Debtor's accounts, in preparing, administering or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of the 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 CEFL or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.
 - g) The Debtor appoints any officer or director or branch manager of CEFL upon an Event of Default to be its attorney in accordance with applicable legislation with full power of substitution and to do on the Debtor's behalf anything that is required to assign or transfer, and to record any assignment 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.

- h) *All rights and remedies hereunder are cumulative and alternative and, in particular, CEFL shall be entitled to pursue all of its rights hereunder either consecutively or concurrently and no right or interest in the Collateral shall be extinguished or merged by the commencement of any legal proceeding or the taking of judgment for all or any part of the monies which are or may become due and owing pursuant to this Security Agreement or any other agreement between CEFL and Debtor or pursuant to any agreement renewing or extending or collateral to this Security Agreement or any other agreement between CEFL and Debtor.*

12. MISCELLANEOUS

- a) *The Debtor hereby authorizes CEFL 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 the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as CEFL may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest and the Debtor hereby irrevocably constitutes and appoints any officer of CEFL the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.*
- b) *Without limiting any other right of CEFL, whenever Indebtedness is immediately due and payable or CEFL has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), CEFL may, in its sole discretion, set off against Indebtedness any and all amounts then owed to the Debtor by CEFL in any capacity, whether or not due, and CEFL 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 CEFL's records subsequent thereto.*
- c) *Upon the Debtor's failure to perform any of its duties hereunder, CEFL may, but shall not be obligated to, perform any or all of such duties, and the Debtor shall pay to CEFL, forthwith upon written demand therefor, an amount equal to the expense incurred by CEFL in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 24% per annum.*
- d) *CEFL 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 the Debtor, the Account Debtors, sureties and others and with the Collateral and other security as CEFL may see fit without prejudice to the liability of the Debtor or CEFL's right to hold and realize on the Security Interest. Furthermore, CEFL may demand, collect and sue on the Collateral in either the Debtor's or CEFL's name, at CEFL's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting the Collateral.*
- e) *No delay or omission by CEFL 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, CEFL may remedy any default by the 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 the Debtor. All rights and remedies of CEFL granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.*
- f) *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, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against CEFL. CEFL may assign this Security Agreement to any person without obtaining the Debtor's consent. The Debtor may not assign this Security Agreement to any person.*

- g) *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.*
- h) *Subject to the requirements of Section 12(i) 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 CEFL, 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 the Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to CEFL. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.*
- i) *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 CEFL and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Debtor 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 Debtor, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon and after such notice any realization costs and expenses shall be paid in full.*
- j) *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.*
- k) *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.*
- l) *Except as already contemplated herein nothing herein contained shall in any way obligate CEFL to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.*
- m) *The Debtor acknowledges that the Debtor and CEFL intend for the Security Interest to attach upon the execution of this Security Agreement (or, in the case of any property acquired subsequent thereto, upon the date of such acquisition) and that value has been given and that the Debtor has (or in the case of after-acquired property, will have) rights in Collateral. The parties acknowledge and agree that this Security Agreement and the Security Interest are intended to be a "security agreement" and "security interest," within the meaning of the PPSA.*
- n) *The 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 "the 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 CEFL at the time of amalgamation and any "Indebtedness" of the amalgamated company to CEFL thereafter arising.*
- o) *The Debtor waives the rights, benefits and protection given by The Civil Enforcement Act of Alberta or any amendment or successor legislation thereto and agrees (if the Debtor is a corporation) 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 the Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, the Debtor agrees with CEFL that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.

- p) *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 federal laws applicable therein, as the same may from time to time be in effect. The Debtor and CEFL or its successors and assigns irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of Ontario and of Canada sitting in Ontario in any action or proceeding arising out of or relating to this Security Agreement, and irrevocably agrees that all such actions and proceeding may be heard and determined in such courts.*

13. COPY OF AGREEMENT

- a) *The Debtor hereby acknowledges receipt of a copy of this Security Agreement.*
- b) *The Debtor waives, to the extent permitted by law, the Debtor's right to receive a copy of any financing statement or financing change statement registered by CEFL, or of any verification statement with respect to any financing statement or financing change statement registered by CEFL.*

14. **LANGUAGE OF AGREEMENT** - The Debtor has expressly requested that this document be drawn up in the English language. Le(s) soussigné (s) a (ont) expressément demandé que ce document soit rédigé en langue anglaise.

The terms and conditions of this Security Agreement and on any schedules or attachments hereof form part of this Security Agreement, have been read by the Debtor and are binding upon the Debtor and CEFL.

Executed this 4th day of March, 2019.

**Canadian Equipment Finance
& Leasing Inc.**

BY:

Name: Brent Keenan
Title: President

Debtor: Eveley International Corporation

BY:

Name: Dawn Marie Eveley
Title: President
(I/We have the authority to bind the corporation)

BY:

Name:
Title:

BY:

Name:
Title:

(I/We have the authority to bind the corporation)


SCHEDULE "A"
(ENCUMBRANCES)

2565698 Ontario Inc. PPSA Registration Number 20190205 1630 1590 9436 (File Number 748134414) with respect to inventory, equipment, accounts and other



Tab D

This is Exhibit “D” to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, appearing to be 'RSC', is written over a horizontal line.

A Commissioner, etc.

LOAN AGREEMENT

THIS LOAN AGREEMENT is dated as of the 2nd day of January, 2019.

BETWEEN:

2565698 ONTARIO INC., a corporation
incorporated under the laws of the Province of Ontario

(herein referred to as the "**Lender**")

- and -

EVELEY INTERNATIONAL CORPORATION, a corporation
amalgamated under the laws of the Province of Ontario

(herein referred to as the "**Borrower**")

WHEREAS the Lender and the Borrower have entered into an Agreement of Purchase and Sale dated as of January 2, 2019 with respect to the sale of 665 Arvin Avenue, Stoney Creek, Ontario by the Borrower to the Lender (the "**APS**");

AND WHEREAS the Lender wishes to loan to the Borrower and the Borrower wishes to borrow from the Lender, the amount of **ONE MILLION (\$1,000,000) DOLLARS**, subject to the completion of the transaction contemplated by the APS and the terms and conditions of this Loan Agreement;

NOW THEREFORE THIS LOAN AGREEMENT WITNESSETH that in consideration of mutual covenants herein contained and other good and valuable consideration, the parties hereto agree one with the other as follows:

1. **Interpretation**

1.1 Definitions. The following words and phrases whenever used in this Agreement shall have the following meanings, unless there is something in the context otherwise inconsistent therewith.

- (a) "**Agreement**" shall mean this Loan Agreement;
- (b) "**APS**" shall have the meaning ascribed thereto in the recitals;
- (c) "**Borrower's Address**" shall mean 665 Arvin Avenue, Stoney Creek, Ontario, L8E 5R2.
- (d) "**Business Day**" shall mean a day (other than a Saturday or Sunday) on which banks are open for ordinary banking business in Toronto, Ontario;
- (e) "**Closing Date**" shall have the meaning ascribed thereto in the APS;

(f) “**Event of Default**” shall mean any of the following events:

- (i) the Borrower shall fail to make any payment of the interest or principal owing on this Agreement when due or any other amount owing hereunder when due;
- (ii) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in this Agreement or in the General Security Agreement between the Lender and the Borrower dated as of January 2, 2019 on its part to be performed or observed and after written notice containing particulars of the default shall have been given to the Borrower by the Lender, the Borrower shall not have, within ten (10) days following delivery of such notice, cured such default or commenced proceedings to cure such default and having timely commenced such proceedings proceed to diligently prosecute such proceedings;
- (iii) the Borrower institutes any proceedings or takes any corporate action or executes any agreement to authorize its participation in or the commencement of any proceeding or any proceeding is commenced against or affecting the Borrower:
 - (1) seeking to adjudicate it as bankrupt or insolvent;
 - (2) seeking liquidation, dissolution, winding up, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any application for reorganization under the *Bankruptcy and Insolvency Act* (Canada) or any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation); or
 - (3) seeking appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its properties and assets;

unless such proceeding has not been outstanding for more than sixty (60) days and is being actively and diligently contested in good faith by appropriate proceedings as determined by the Lender in its sole discretion and no judgment or order has been made granting any relief being sought in such proceeding;

- (g) “**Lender**” shall mean 2565698 Ontario Inc. or such other person who becomes a Lender under this Agreement;
- (h) “**Lender’s Address**” shall mean 161 The West Mall, Toronto, Ontario, M9C 4V8 or, in the event that a person other than 2565698 Ontario Inc. becomes a Lender under this Agreement, such address as such Lender may advise;
- (i) “**Lender’s Fee**” has the meaning ascribed thereto in Section 2.4; and

- 3 -

- (j) **"Maturity Date"** shall mean the date that is twenty-four (24) months from the Closing Date.

1.2 Currency. All amounts payable pursuant hereto shall be payable in lawful money of the Canada.

1.3 Non-Business Days. If any day on which any principal or interest is payable under this Agreement or by which any other action is required to be taken hereunder is not a Business Day, such principal or interest shall be payable or such other action shall be required to be taken on the next succeeding day that is a Business Day.

1.4 Herein, hereto, etc. The words "herein", "hereto", "hereof" and similar words refer, unless the context clearly indicates the contrary, to the whole of this Agreement and not to any particular section, subsection or clause thereof. The word "Section" refers to the particular section of this Agreement unless otherwise indicated.

1.5 Number and Gender. Words importing the singular number only shall include the plural and vice versa, words importing the use of any gender shall include all genders and words importing persons shall include firms and corporations and vice versa.

2. Loan

2.1 Loan Advance. On the Closing Date, the Lender shall advance to the Borrower the amount of **ONE MILLION (\$1,000,000) DOLLARS** less the Lender's Fee by a wire transfer of immediately available funds to the bank account designated by the Borrower.

2.2 Payments of Interest. The interest rate applicable to the principal outstanding under this Agreement shall be eight (8%) per cent per annum calculated monthly, not in advance, which interest shall be due and payable on each monthly anniversary of the Closing Date.

2.3 Payments of Principal. The Lender shall not be entitled to receive payments on account of principal until the Maturity Date, unless there is an Event of Default, in which event all principal and interest then outstanding under the terms of this Agreement shall immediately be due and payable to the Lender.

2.4 Payment of Lender's Fee. The Borrower agrees that the Lender shall be entitled to the payment of a lender's fee of ten thousand (\$10,000.00) dollars representing one (1%) per cent of the principal advanced pursuant to this Agreement and that such amount shall be debited from the funds to be advanced by the Lender to the Borrower on the Closing Date.

2.5 Payment of Legal Fees. The Borrower shall pay all of the Lender's legal costs in connection with this Agreement and the completion of the transactions contemplated by the Agreement which shall be eight thousand (\$8,000.00) dollars plus the disbursements and applicable H.S.T. of the Lender's law firm which amount shall be debited from the funds to be advanced to the Borrower by the Lender on the Closing Date.

2.6 Prepayment. After six (6) months from the Closing Date, the Borrower may repay any portion of the Loan Advance at any time or times prior to the Maturity Date without notice, penalty or bonus on thirty (30) days prior written notice to the Lender. Prior to six (6)

month from the Closing Date, the Borrower shall not have any right or entitlement to prepay all or any part of the principal outstanding under this Agreement.

2.7 Method of Payment. Any payment of interest or principal hereunder shall be payable by bank draft or wire transfer of immediately available funds delivered to a bank account designated by the Lender. The receipt of such bank draft or wire transfer shall satisfy and discharge all liability for such interest or principal as the case may be to the extent of the sum represented thereby.

2.8 No Right of Set-Off. The obligations of the Borrower under this Agreement are unconditional and there is no right of set-off with respect to any claim that the Borrower or any other party may have against the Lender in any way relating to or arising from the APS, the transaction contemplated by the APS or for any other matter.

3. Covenants of the Borrower

At all times prior to the repayment of all principal and interest due and payable pursuant to this Agreement, the Borrower covenants and agrees as follows:

- (i) to provide Lender with review engagement audited financial statements of the Borrower as soon as such financial statements are available and in any event no later than one hundred and twenty (120) days from the end of the Borrower's fiscal year;
- (ii) that there will be no change of control in the voting shares of the Borrower or a change of control in the board of directors of the Borrower without the prior written approval of the Lender;
- (iii) that the Borrower will not enter into any subsequent leases, loans or other debt obligations in excess of \$25,000 without the prior written consent of the Lender; and
- (iv) that the Borrower will not permit any sale of equipment or inventory out of the ordinary course of business without the prior written consent of the Lender.

4. Events of Default; Acceleration of Payment

4.1 Acceleration and Enforcement. Upon the occurrence and during the continuance of an Event of Default, the Lender may demand payment of the outstanding principal amount together with any accrued but unpaid interest thereon then outstanding under the Agreement.

4.2 Notice. The Borrower shall promptly notify the Lender of any facts that may give rise to an Event of Default or any facts that may give rise to any event which, with notice or lapse of time or both, would constitute an Event of Default under this Agreement.

4.3 Waiver. Upon the occurrence and during the continuance of any Event of Default hereunder, the Lender shall have the power to waive any Event of Default.

5. Security

The obligations of the Borrower under this Agreement shall be secured by a general security agreement granted by the Borrower in favour of the Lender and guaranteed by Dawn Eveley. The guarantee of Dawn Eveley shall be collaterally secured by a second mortgage on the property municipally known as 45 Lakegate Drive, Stoney Creek, Ontario and by a first mortgage on the property municipally known as 37 Rose Drive, Kearney, Ontario.

6. Notice

Notice shall be served on the Lender or on the Borrower, respectively, by delivering it by hand or sending by courier addressed to the Lender's Address or the Borrower's Address, respectively. Each of the Lender and the Borrower agrees to send written notification to the other of any change of address. Any notice delivered by personal delivery shall be deemed to have been received on the date of delivery to the person to whom it is addressed or if sent by courier, shall be deemed to have been received on the first Business Day immediately following the date on which it is sent to the person to whom it is addressed.

7. Amendment

This Agreement may be modified or amended only if the parties hereto so agree in writing.

8. Assignment

The Borrower may not assign or transfer any of its obligations hereunder without the prior written consent of the Lender which consent may be withheld at the sole discretion of the Lender. The Lender may assign or transfer all or any part of its rights under this Agreement on prior written notice to the Borrower.

9. Governing Law

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

10. Severance

The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein contained and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.

- 6 -

11. Binding Effect

This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of each of the parties hereto.

12. Counterparts; Electronic Transmission

This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument. All parties agree that this Agreement may be transmitted by telecopier or electronic transmission via email and that the reproduction of signatures by way of telecopier or electronic transmission via email will be treated as though such reproduction were executed originals and each party undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time after the date of execution.

IN WITNESS WHEREOF the parties hereto have executed this Loan Agreement as of the date first written above.

**EVELEY INTERNATIONAL
CORPORATION**Per: 

Name: Dawn Eveley

Title: President

I have authority to bind the corporation

2565698 ONTARIO INC.

Per: _____

Name: Benito Di Franco

Title: President

I have authority to bind the corporation

The undersigned, acknowledges and agrees to the terms of the foregoing Loan Agreement in her capacity as a guarantor as of the date first written above.



DAWN EVELEY

- 6 -

11. Binding Effect

This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of each of the parties hereto.

12. Counterparts; Electronic Transmission

This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed to constitute one and the same instrument. All parties agree that this Agreement may be transmitted by telecopier or electronic transmission via email and that the reproduction of signatures by way of telecopier or electronic transmission via email will be treated as though such reproduction were executed originals and each party undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time after the date of execution.

IN WITNESS WHEREOF the parties hereto have executed this Loan Agreement as of the date first written above.

EVELEY INTERNATIONAL CORPORATION

Per: _____

Name: Dawn Eveley

Title: President

I have authority to bind the corporation

2565698 ONTARIO INC.

Per: _____

Name: Benito Di Franco

Title: President

I have authority to bind the corporation

The undersigned, acknowledges and agrees to the terms of the foregoing Loan Agreement in her capacity as a guarantor as of the date first written above.

DAWN EVELEY

This is Exhibit "E" to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to read 'RSE'.

A Commissioner, etc.

Tab E

GENERAL SECURITY AGREEMENT

GENERAL SECURITY AGREEMENT made as of the 2nd day of January, 2019.

DEBTOR: **EVELEY INTERNATIONAL CORP.**
(the "Debtor")

Address: 665 Arvin Avenue
Stoney Creek, Ontario
L8E 5R2

SECURED PARTY: **2565698 ONTARIO INC.**
(the "Secured Party")

Address: 161 The West Mall
Toronto, Ontario
M9C 4V8

ARTICLE ONE - GRANT OF SECURITY INTERESTSecurity Interest

1.01 As a general and continuing security for the payment of all obligations, indebtedness and liabilities of the Debtor to the Secured Party including, without limitation, obligations of the Debtor to the Secured Party pursuant to the Loan Agreement dated as of January 2, 2019 (referred to as the "Loan Agreement"), the Debtor hereby grants, mortgages, charges, transfers, assigns and creates to and in favour of the Secured Party a fixed and specific charge, pledge and continuing security interest in all of the assets of the Debtor (hereinafter more particularly described and collectively referred to as the "Collateral") including the following property:

- (a) Accounts: all debts, accounts, claims, money and choses in action which now are or which may at any time hereafter be due or owing to or owned by the Debtor (hereinafter, in this definition section, referred to as the "accounts"), and all securities, bills, notes and other documents now held or owned or which may be hereafter taken, held or owned by the Debtor or anyone on behalf of the Debtor in respect of the accounts or any part thereof, and also all books and papers recording, evidencing or relating to the accounts or any part thereof and claims

under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof (hereinafter collectively referred to as the "Accounts");

- (b) Inventory: all inventory of whatever kind and wherever situated now owned or hereafter acquired by the Debtor, including without limitation, all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property held for sale, lease or resale or furnished under contracts for service or rental or used or consumed in the business of the Debtor, goods used for packing, materials used in the business of the Debtor not intended for sale, (hereinafter collectively referred to as the "Inventory");
- (c) Equipment: all equipment, fixtures, plant, tools, furniture, machinery, vehicles and other tangible personal property of any kind or description, now or hereafter owned or acquired by the Debtor, all spare parts, accessories installed in or affixed or attached to the foregoing, including all drawings, specifications, plans and manuals relating thereto, including but not limited to, the personal property described in Schedule "A" (hereinafter collectively referred to as the "Equipment");
- (d) Monies: all monies of any kind now or at any time hereafter in the possession of the Debtor, a bailee of the Debtor or agent of the Debtor whether authorized or adopted by the Parliament of Canada or a foreign government as part of its respective currency ("Money");
- (e) Accessions and Substitutions: all accessions to, substitutions for, and all replacements, products and proceeds of the foregoing, including, without limitation, proceeds as that term is defined under the Personal Property Security Act, R.S.O. 1990 c.P.10, as amended from time to time ("Accessions and Substitutions");
- (f) Books and Records: all books and records (including, without limitation, customer lists, letters, papers, documents, credit files, computer programs, printouts and other computer materials and records) of the Debtor pertaining to the foregoing ("Documents");

- (g) Chattel Paper: all present and future agreements made between the Debtor as a secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods ("Chattel Paper");
- (h) Instruments: all present and future bills, notes and cheques (as such are defined pursuant to the Bills of Exchange Act (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment ("Instruments");
- (i) Securities: all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the Business Corporations Act, R.S.O. 1990, c.B.17 and all substitutions therefor and dividends and income derived therefrom ("Securities");
- (j) Intangibles: all present and future intangible personal property of the Debtor, including all contract rights, goodwill, patents, trade marks, copyrights and other industrial property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing ("Intangibles");
- (k) Undertaking: all present and future personal property, business and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents, Chattel Paper, Instruments, Money, Securities or Accessions and Substitutions ("Undertaking"); and
- (l) Proceeds: all personal property in any form derived directly or indirectly from any dealing with collateral subject to the security interest or the proceeds therefrom, and including any payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom ("Proceeds").

The Inventory, Equipment, Accounts, Intangibles, Documents, Chattel Paper, Instruments, Money, Securities, Accessions and Substitutions, Undertaking and Proceeds are

collectively called the "Collateral". Any reference in this agreement to Collateral shall mean Collateral or any part thereof, unless the context otherwise requires.

The grants, mortgages, charges, transfers, assignments and security interests herein created are collectively called the "Security Interest".

The Security Interest is granted to the Secured Party by the Debtor as continuing security for the payment of all obligations, indebtedness and liabilities of the Debtor to the Secured Party given pursuant to the Loan Agreement, including interest thereon, and for the payment and performance of all other present and future obligations of the Debtor to the Secured Party pursuant to the Loan Agreement (including obligations under this agreement). The Secured Party acknowledges that the Security Interest shall be subordinate only to the Encumbrances referred to in Schedule "B" and shall execute any post-ponement or subordination agreement which may be requested to evidence such subordination.

1.02 Without limiting the generality of the description of Collateral as set out in Article 1.01, for greater certainty the Collateral shall include all present and future personal property of the Debtor located on or about or in transit to or from the addresses of the Debtor set out on the first page of this agreement and the location(s) set out in any Schedule "A" attached hereto, and all present and future personal property of the Debtor of the nature or type described in any Schedule "A" attached hereto.

1.03 The parties acknowledge that value has been given; the Debtor has rights in the Collateral and the parties have not agreed to postpone the time for attachment of the Security Interest.

1.04 Until the occurrence of an Event of Default (as hereinafter defined), the Debtor may, subject to the provisions of the Loan Agreement, conduct its business and deal with the Collateral in its ordinary course of business and may sell its Inventory and collect its Accounts in the ordinary course of its business; provided that in the Event of Default (as that term is subsequently defined) all Accounts thereafter so collected shall be held by the Debtor as agent and in trust for the Secured Party and paid to the Secured Party immediately upon request. The Debtor agrees to deposit all Proceeds from the disposition of Inventory into its account with its regular bankers, and to inform such bank of the Security Interest and the trust established herein

attaching to the funds in such account in favour of the Secured Party. The Debtor agrees to inform the Secured Party of any change in its regular bankers and not to open new bank accounts without first notifying the Secured Party.

1.05 The Secured Party may, after the occurrence of an Event of Default, notify any person obligated to the Debtor in respect of an Account, Chattel Paper or an Instrument to make payment to the Secured Party of all such present and future amounts due.

1.06 The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the Security Interest, but the Debtor agrees to stand possessed on such last day in trust for any person acquiring such interest of the Debtor. To the extent that the creation of the Security Interest would constitute a breach or cause the acceleration of any agreement, right, licence or permit to which the Debtor is a party, the Security Interest shall not attach thereto but the Debtor shall hold its interest therein in trust for the Secured Party, and shall assign such agreement, right, license or permit to the Secured Party forthwith upon obtaining the consent of the other party thereto.

ARTICLE TWO - COVENANTS, REPRESENTATIONS AND WARRANTIES OF DEBTOR

Covenants, Representations and Warranties

2.01 The Debtor warrants, covenants and represents that:

- (a) the Debtor is, or, as to the Collateral acquired after the date hereof will be, the owner of the Collateral, and except as set out in Schedule "B" attached hereto free from any mortgage, lien, security interest or encumbrance other than the Security Interest granted hereby;
- (b) the Debtor will defend the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein;
- (c) the Debtor's principal place of business in Ontario is the address given at the beginning of this General Security Agreement. If the Debtor otherwise changes its principal place of business or the location of the Inventory or the location of the offices where it keeps its records respecting the Accounts, or acquires other places of business, it will notify the Secured Party contemporaneously with such change;
- (d) the Debtor will not give any further or other security agreement covering the Collateral or any part thereof to any party other than the Secured Party except as

permitted herein or as a Permitted Encumbrance as that term is defined in the Loan Agreement;

- (e) the Debtor shall from time to time forthwith on the Secured Party's request furnish to the Secured Party in writing all information reasonably requested relating to the Collateral and the Secured Party shall be entitled from time to time to inspect at any reasonable times the Collateral and make copies of all documents relating to Accounts and for such purposes the Secured Party shall have access at all reasonable times to all premises occupied by the Debtor or where the Collateral or any of it may be found; and
- (f) the Debtor shall from time to time forthwith on the Secured Party's request do, make and execute all such financing statements, further assignments, documents, acts, matters and things as may be required by the Secured Party with respect to the Collateral or any part thereof or as may be required to give effect to this General Security Agreement and the transactions contemplated hereby, and the Debtor hereby constitutes and appoints the Secured Party, or any receiver appointed by the Court or the Secured Party as hereafter set out the true and lawful attorney of the Debtor irrevocably with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient.

ARTICLE THREE - INSURANCE

Insurance

3.01 The Debtor will obtain and maintain, at its own expense, insurance against loss and damage to the Collateral provided it is commercially reasonable to insure such Collateral, including without limitation, loss by fire (including so-called extended coverage), theft, collision and such other risks of loss as are customarily insured against on this type of Collateral, in an amount equal to not less than the full replacement value thereof in such form and with such insurers as shall be reasonably satisfactory to the Secured Party. All such policies shall name the Secured Party as an additional insured and loss payee thereof, as the Secured Party's interests may appear, and shall provide that the insurer will give the Secured Party at least ten (10) days' written notice of intended cancellation. At the Secured Party's request, the Debtor shall furnish the Secured Party with a copy of the policy of insurance and certificate of insurance or other evidence satisfactory to the Secured Party that such insurance coverage is in effect. The Debtor shall give the Secured Party notice of any damage to, or loss of, the Collateral, or any part thereof, forthwith upon the occurrence of any such damage or loss. Should the Debtor fail to make any payment or do any act as provided in this Article the Secured Party shall have the right but not the obligation, without notice or demand upon the Debtor, without releasing the Debtor from any obligation hereunder, to make or do the same. All sums so incurred or expended by the

Secured Party shall at the Secured Party's option become immediately due and payable by the Debtor.

ARTICLE FOUR - USE OF COLLATERAL

Use of Collateral

4.01 The Debtor shall maintain the Collateral in proper operating condition and in full accordance with any applicable manufacturer's manuals or instructions and shall comply with any applicable municipal, state, provincial or federal laws, orders, or regulations in connection therewith.

ARTICLE FIVE - EVENT OF DEFAULT

Event of Default

5.01 If any Event of Default (as that term is defined in the Loan Agreement) occurs, such occurrence shall constitute an "Event of Default" hereunder. If an Event of Default exists, the entire principal balance then outstanding under the Loan Agreement shall, at the option of the Secured Party, and subject to applicable law, become immediately due and payable without further demand or notice, the security granted hereby shall become immediately enforceable and the Secured Party may resort to any right or remedy provided herein or available under any applicable law, which rights and remedies shall be enforceable successively, concurrently or cumulatively.

Remedies

5.02 Upon the occurrence of an Event of Default, the Security Interest shall immediately become enforceable, and the Secured Party shall have the following remedies in addition to any other remedies available at law or in equity or contained in any other agreement between the Debtor and the Secured Party, all of which remedies shall be independent and cumulative:

- (a) the Secured Party may, in addition to any other rights, appoint by instrument in writing a receiver (which term as used in this General Security Agreement includes a receiver and manager and is hereinafter referred to as the "Receiver") for all or any part of the Collateral and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of such a Receiver. Where the Secured Party is hereinafter referred to in this Article 5.02 the term shall include any Receiver so appointed and the officers, employees or agents of such Receiver;

- 8 -

- (b) the Debtor will forthwith upon demand assemble and deliver to the Secured Party possession of the Collateral at such place as may be specified by the Secured Party, provided that the Secured Party may take such steps as it considers necessary or desirable to obtain possession of all or any part of the Collateral, and the Debtor agrees that the Secured Party may at any time enter upon its or others' lands and premises for the purpose of taking possession of and removing the Collateral or any part thereof;
- (c) the Secured Party may seize, collect, sell, lease, license, realize, borrow money on the security of, release to third parties or otherwise deal with the Collateral or any part thereof in such manner, upon such terms and conditions and at such time or times as may seem to it advisable and without notice to the Debtor (except where notice is specifically required by law), and may charge on its own behalf and pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal, Receiver's and accounting fees and expenses) and may add the amount of such sums to the indebtedness of the Debtor secured hereby;
- (d) upon notice to the Debtor in the manner provided by the laws of the provinces in which the Collateral is located, the Secured Party may elect to retain all or any part of the Collateral in satisfaction of the obligations to it of the Debtor;
- (e) the Secured Party shall not be liable or accountable for any failure to seize, collect, realize, sell or obtain payment of the Collateral or any part thereof and shall not be bound to institute proceedings for the purpose of seizing, collecting, realizing or obtaining possession or payment of the same or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, firm or corporation in respect of same;
- (f) the Secured Party may grant extensions of time, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral as permitted herein and other securities as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize the Collateral;
- (g) all money collected or received by the Secured Party in respect of the Collateral may be applied on account of such parts of the indebtedness and liability of the Debtor under the Loan Agreement as the Secured Party in its sole discretion determines or may be held unappropriated in a collateral account or in the discretion of the Secured Party may be released to the Debtor all without prejudice to the Secured Party's claims upon the Debtor;
- (h) to facilitate the realization of the Collateral the Secured Party may carry on or concur in the carrying on of all or any part of the business of the Debtor enter upon, occupy and use all or any of the premises, buildings, plant and undertaking of or occupied or used by the Debtor and use all or any of the machinery and equipment of the Debtor for such time as the Secured Party determines, free of

charge, to manufacture or complete the manufacture of any Inventory and to pack and ship the finished product, and the Secured Party, subject to applicable law, shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;

- (i) the Secured Party may discharge any prior encumbrance, lien, claim or charge that may exist or be threatened against the same and in every such case the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the obligations of the Debtor to the Secured Party as hereby secured; and
- (j) if after all the expenses of the Secured Party in connection with the preservation and realization of the Collateral as above described shall have been satisfied and all obligations of the Debtor to the Secured Party under the Loan Agreement and this agreement shall have been satisfied and paid in full together with interest, any balance of money in the hands of the Secured Party arising out of the realization of the Collateral, shall be paid to any person other than the Debtor whom the Secured Party knows to be the owner of the Collateral, and in the absence of such knowledge, such balance shall be paid to the Debtor. If there is a deficiency, such deficiency shall be immediately paid by the Debtor to the Secured Party.

Standards of Sale

5.03 Without prejudice to the ability of the Secured Party to dispose of the Collateral in any manner which is commercially reasonable and subject to applicable law, the Debtor acknowledges that a disposition of Collateral by the Secured Party which takes place substantially in accordance with the following provisions shall be deemed to be commercially reasonable:

- (a) Collateral may be disposed of in whole or in part;
- (b) Collateral may be disposed of by public sale following one advertisement, at least seven (7) days prior to such sale, in a newspaper having general circulation in the location of the Collateral to be sold;
- (c) Collateral may be disposed of by private sale after receipt by the Secured Party of two (2) bona fide, arm's length, third party written offers;
- (d) the purchaser or lessee of such Collateral may be a customer of the Secured Party;
- (e) the disposition may be for cash or credit, or part cash and part credit; and
- (f) the Secured Party may establish a reserve bid in respect of all or any portion of the Collateral.

ARTICLE SIX - DEALING WITH COLLATERAL BY THE DEBTOR

Dealing with Collateral by the Debtor

6.01 The Debtor in the ordinary course of its business may lease or sell items of Inventory, so that the purchaser thereof takes title clear of the Security Interest hereby created, but if such sale or lease results in an Account, such Account is subject to the Security Interest hereby created and, in the event that the Debtor shall collect or receive any of the Account or shall dispose of and be paid for any of the other Collateral covered by this General Security Agreement, all non-cash proceeds of such disposition shall be subject to the Security Interest hereby created and all Money so collected or received by the Debtor after the occurrence of an Event of Default shall be received as trustee for the Secured Party, and shall on demand be paid over to the Secured Party.

ARTICLE SEVEN - GENERAL

Benefit of the General Security Agreement

7.01 This General Security Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the Debtor and the Secured Party.

No Waiver, Remedies

7.02 No failure on the part of the Secured Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Severability

7.03 If any provision of this General Security Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect.

Notices

7.04 Any demand, notice or other communication (hereinafter in this Article 7.04 referred to as a "Communication") to be given in connection with this General Security

- 11 -

Agreement shall be given in writing and may be given by personal delivery, transmitted by telecopier or sent by prepaid registered mail addressed to the recipient as follows:

To the Debtor:

EVELEY INTERNATIONAL CORP.
665 Arvin Avenue
Stoney Creek, Ontario
L8E 5R2

Attention: President
Telecopier: (905) 643-4538

with a copy to:

Beard Winter LLP
Barristers and Solicitors
Suite 701
130 Adelaide Street West
Toronto, Ontario
M5H 2K4

Attention: Julian L. Doyle
Telecopier: (416) 593-5555

To the Secured Party:

161 The West Mall
Toronto, Ontario
M9C 4V8

or such other address as may be designated by notice by any party to the other. Any Communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof; if given by prepaid registered mail, on the third business day following the deposit thereof in the mail; and if transmitted by telecopier, on the date of transmittal or if that date is not a business day, the first business day following the date of the transmittal. If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery.

Assignment

7.05 The rights of the Secured Party under this General Security Agreement may be assigned by the Secured Party provided that the Debtor is given ten (10) days written notice of such assignment. The Debtor may not assign its obligations under this General Security Agreement, save and except by amalgamation provided that this General Security Agreement is fully enforceable against the amalgamated corporation.

Governing Law

7.06 Notwithstanding any provisions to the contrary in the Loan Agreement, this General Security Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

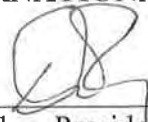
Executed Copy

7.07 The Debtor acknowledges receipt of an executed copy of this General Security Agreement.

IN WITNESS WHEREOF the Debtor has executed this General Security Agreement as of the date first written above.

EVELEY INTERNATIONAL CORP.

Per:


Dawn Eveley, President

SCHEDULE "A"

(Article 1.02)

665 Arvin Avenue
Stoney Creek, Ontario
L8E 5R2

SCHEDULE "B"

(Article 2.01(a))

Subject only to the PPSA registration in favour of the First National with respect to the lease by the Debtor of a friction welder.

Tab F

This is Exhibit "F" to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'RSC' followed by a period.

A Commissioner, etc.

INTERCREDITOR AGREEMENT

THIS INTERCREDITOR AGREEMENT (the "*Agreement*") is made as of the 4th day of March, 2019.

B E T W E E N:

2565698 ONTARIO INC., a corporation
incorporated under the laws of the Province of Ontario

(herein referred to as the "*Landlord*")

OF THE FIRST PART

- and -

CANADIAN EQUIPMENT FINANCE & LEASING INC.,
a corporation incorporated under the laws of the Province of Ontario

(herein referred to as the "*Lender*")

OF THE SECOND PART

- and -

EVELEY INTERNATIONAL CORPORATION,
a corporation amalgamated under the laws of the Province
of Ontario

(herein referred to as the "*Borrower*")

OF THE THIRD PART

WHEREAS the Borrower and the Lender have entered into a Loan and Security Agreement # 122-03-2019-001 dated March 4, 2019 (the "*Loan Agreement*") pursuant to which the Borrower has granted certain security to the Lender, a notice of which has been filed in the Ontario Personal Property Security Registration System as more specifically set out on Schedule "A" hereto (the "*Lender Security*");

AND WHEREAS the Borrower has granted certain security to the Landlord, notice of which has been filed in the Ontario Personal Property Security Registration System as more specifically set out on Schedule "B" hereto (the "*Landlord Security*");

- 2 -

AND WHEREAS the parties hereto have agreed to enter into this Intercreditor Agreement in order to set out the respective priorities of the Lender Security and Landlord Security;

AND WHEREAS the parties also wish to set out certain rights and entitlements of the Landlord in connection with the Loan Agreement;

NOW THEREFORE THIS INTER CREDITOR AGREEMENT WITNESSETH that for and in consideration of the premises herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto) the parties agree as follows:

1. **CONSENT TO SECURITY**

Each of the Landlord and the Lender hereby consent to the creation and issuance by the Borrower of the other party's security.

2. **PRIORITIES**

Each of the parties hereby acknowledge and agree that the Lender Security shall have priority over the right, title, interest and charge of the Landlord Security upon all personal property of the Borrower, both present and future, and of whatsoever nature and kind and wheresoever situate and any and all right, title, interest and charge of the Landlord in and to the Landlord Security is hereby and hereafter shall be subordinated and postponed to and shall rank subsequent to and be subject to in all respects to the Lender Security and any and all right, title, interest and charge of the Lender in and to the Lender Security.

3. **APPLICATION OF PRIORITIES**

The priorities referred to in Section 2 of this Agreement shall apply in all events and circumstances irrespective of:

- (a) the time or order of the creation, granting or execution of any of the Lender Security and the Lender Security (collectively, the "***Security***");

- 3 -

- (b) the time or order of attachment, perfection or crystallization of any charge constituted by any of the Security;
- (c) the time or order of registration of any of the Security or the filing of financing statements or other instruments and documents with respect thereto;
- (d) the timing of any advances or readvances made with respect of any of the Security;
- (e) the date of any default by the Borrower; or
- (f) any priority granted by any principle of law or statute.

4. **INSURANCE PROCEEDS**

Each of the Landlord and the Lender acknowledges and agrees that its interests in any proceeds of insurance and expropriation received by the Borrower are subject to the same priorities as determined under Section 2 of this Agreement as if the proceeds thereof were the assets, property and undertaking, as the case may be, with respect to which the said proceeds were paid.

5. **LOAN AGREEMENT**

In the event of a default by the Borrower to make a payment to the Lender under the terms of the Loan Agreement when any such payment is due or the Borrower is otherwise in default of its obligations under the Loan Agreement, the Lender shall provide the Landlord with written notice of such default (the "***Notice of Default***") within ten (10) days from the date of default. Within ten (10) days from the Landlord's receipt of the Notice of Default, the Landlord may elect on written notice to the Lender and the Borrower to (i) pay (the "***Payout***") all principal, interest and other amounts payable to the Lender pursuant to the Loan Agreement (the "***Payout Amount***") or, (ii) subject to credit approval by the Lender with such credit approval not to be unreasonably withheld, assume all of the rights and obligations of the Borrower under the Loan Agreement. In the event of a Payout, the Payout Amount shall be paid by the Landlord to the Lender within thirty (30) days from the date on which the Landlord received the Notice of Default and upon its receipt of the Payout Amount, the Lender shall assign to the Landlord all of its right, title and interest in the Lender Security. In the event that the Landlord elects to assume

- 4 -

all of the rights and obligations of the Borrower under the Loan Agreement, the Borrower shall execute an assignment of its rights and obligations under the Loan Agreement and such other documents as may be reasonably requested by the Landlord and the Lender, and the Landlord shall pay to the Lender any arrears and reasonable legal costs that are then due and payable under the Loan Agreement within ten (10) days from its receipt of credit approval by the Lender.

6. **DEMAND AND ENFORCEMENT PROCEEDINGS**

The Lender and the Landlord agree that they will use their reasonable best efforts to give prompt written notice to each other of any action taken by them against the Borrower to enforce their respective Security, provided that the Lender shall not take any action to enforce the Lender Security or any part thereof, pending the exercise by the Landlord of its rights pursuant to Section 5 of this Agreement. Such notice shall be given prior to or forthwith after taking such action, but inadvertent failure to give such notice will not give either the Landlord or the Lender any cause of action or right to damages or other remedy against one another.

7. **ACKNOWLEDGEMENT BY THE BORROWER**

The Borrower acknowledges and agrees that the ordering of priorities, postponements and subordinations set forth in this Agreement and the rights of the Landlord pursuant to Section 5 of this Agreement are expressly approved and permitted. Nothing contained in this Agreement shall be construed as conferring any rights upon any other person, firm or corporation not a party to this Agreement. The terms and conditions hereof are and shall be for the sole and exclusive benefit of each of the Lenders.

8. **NOTICE**

Any notice to be given herein shall be deemed to have been given if reduced to writing, signed by or on behalf of the party giving such notice and delivered by hand or mailed by prepaid registered mail or sent by telecopier addressed as set out below.

to Lender:	Canadian Equipment Finance & Leasing Inc.
	250 Woolwich St.
	Unit 5
	Breslau, Ontario
	N0B 1M0

- 5 -

Attention: Brent Keenan
Telecopier: (519) 648-3382

to the Landlord: 2565698 Ontario Inc.
161 The West Mall
Toronto, Ontario
M9C 4V8

Attention: Benito Di Franco, President
Telecopier: (416) 620-4521

to the Borrower: Eveley International Corporation
665 Arvin Avenue
Stoney Creek, Ontario
L8E 5R2

Attention: Dawn Eveley, President
Telecopier: (905) 643-4538

or at such other address as any party hereto may have specified in writing and given to the other parties.

Any notice given by registered mail shall be deemed to have been received by the parties to whom the same is addressed on the fifth business day following the day upon which such notice has been deposited in a post office with postage and cost of registration prepaid. Any notice given by hand or by telecopier shall be deemed to have been received by the parties to whom such notice is so delivered on the following business day.

9. **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties hereto relating to the subject matter hereof. This Agreement supersedes any prior or contemporaneous contracts, agreements, negotiations or discussions of the parties in respect of the subject matter hereof. No amendment or waiver of this Agreement or any provision hereof shall be binding unless executed in writing by the party to be bound thereby and no such amendment or waiver shall extend to anything other than the specific subject matter thereof.

- 6 -

10. **GOVERNING LAW**

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

11. **NO PARTNERSHIP**

Nothing in this Agreement shall be deemed to constitute the parties as a partnership, joint venture or any other similar entity.

12. **FURTHER ASSURANCES**

Each of the parties shall execute and deliver all such further documents and do such further acts and things as may be reasonably requested from time to time to give effect to this Agreement.

13. **BINDING EFFECT**

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; provided, however, that neither the Lender nor the Landlord shall transfer or assign any of the Lender Security or the Landlord Security, as applicable, without obtaining from the assignee or transferee an agreement with the assignor or transferor to be bound by the provisions of this Agreement and an acknowledgment from the assignee or transferee that this Agreement shall apply to financing advanced both prior to and subsequent to the date of the assignment or transfer.

14. **EXECUTION IN COUNTERPARTS**

This Agreement or any document delivered pursuant hereto may be executed by pdf or other electronic signature and in any number of counterparts and by different parties hereto or thereto in separate documents, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

- 7 -

IN WITNESS WHEREOF this Intercreditor Agreement has been executed as of the date first written above.

2565698 ONTARIO INC.

By: _____
Name: Benito Di Franco
Title: President

I have authority to bind the corporation

CANADIAN EQUIPMENT FINANCE & LEASING INC.

By: _____
Name: Brent Keenan
Title: President
Canadian Equipment Finance & Leasing Inc.

I have authority to bind the corporation

EVELEY INTERNATIONAL CORPORATION

By: _____
Name: Dawn Eveley
Title: President

I have authority to bind the corporation

- 7 -

IN WITNESS WHEREOF this Intercreditor Agreement has been executed as of
the date first written above.

2565698 ONTARIO INC.

By: 

Name: Benito Di Franco
Title: President

I have authority to bind the corporation

**CANADIAN EQUIPMENT FINANCE &
LEASING INC.**

By: 

Name: Brent Keenan
Title: President
Canadian Equipment Finance & Leasing Inc.

I have authority to bind the corporation

**EVELEY INTERNATIONAL
CORPORATION**

By: 

Name: Dawn Eveley
Title: President

I have authority to bind the corporation

SCHEDULE "A"
LENDER SECURITY

Debtor Name	Secured Party	File Number	Registration No. and Expiry Date	Collateral Classification	General Collateral Description
Eveley International Corporation 665 Arvin Ave. Stoney Creek, Ontario L8E 5R2	Canadian Equipment Finance & Leasing Inc. 250 Woolwich Street S. Unit 5 Breslau, Ontario N0B 1M0	748355922	20190214 1526 9224 0506 Expires: February 14, 2024	Inventory, Equipment, Accounts, Other	



SCHEDULE "B"**LANDLORD SECURITY**

Debtor Name	Secured Party	File Number	Registration No. and Expiry Date	Collateral Classification	General Collateral Description
Eveley International Corporation 665 Arvin Ave. Stoney Creek, Ontario L8E 5R2	2565698 Ontario Inc. 161 The West Mall Toronto, Ontario M9C 4V8	748134414	201902005 1630 1590 9436 Expires: February 5, 2024	Inventory, Equipment, Accounts, Other	



Tab G

This is Exhibit "G" to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'RSC' followed by a horizontal line.

A Commissioner, etc.

Enquiry Result

File Currency: 19APR 2020



All Pages ▾



Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	EVELEY INTERNATIONAL CORPORATION								
File Currency	19APR 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	748091475	1	5	1	8	04FEB 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
748091475		001	002		20190204 1625 1862 2069	P PPSA	6		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	EVELEY INTERNATIONAL CORPORATION								
	Address				City	Province	Postal Code		
	665 ARVIN AVENUE				STONEY CREEK	ON	L8E 5R2		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CANADIAN WESTERN BANK, BROKER BUYING CENTRE								
	Address				City	Province	Postal Code		
	SUITE 285, 4000 GLENMORE COURT				CALGARY	AB	T2C 5R8		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
			X		X				
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	2011 SPINDUCTION WELD INC. UP12-150-30 ME19234 MV AND 2011 THOMPSON/KUKA M125SE T40549 MV TOGETHER WITH ALL PRESENT AND AFTER-ACQUIRED ATTACHMENTS, ACCESSORIES, ACCESSIONS, SUBSTITUTIONS								
Registering Agent	Registering Agent								

	HARRISON PENSA LLP (177099/TSR)			
	Address	City	Province	Postal Code
	450 TALBOT STREET	LONDON	ON	N6A 5J6

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	EVELEY INTERNATIONAL CORPORATION						
File Currency	19APR 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	748091475	1	5	2	8	04FEB 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
748091475		002	002		20190204 1625 1862 2069		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	Address	City	Province	Postal Code

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	Address	City	Province	Postal Code

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

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

General Collateral Description	General Collateral Description
	AND REPLACEMENTS THERETO AND THE PROCEEDS THEREFROM.

Registering Agent	Registering Agent			
	Address	City	Province	Postal Code

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	EVELEY INTERNATIONAL CORPORATION						
File Currency	19APR 2020						

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	748134414	2	5	3	8	05FEB 2024			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
748134414		001	1		20190205 1630 1590 9436	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	EVELEY INTERNATIONAL CORPORATION								
	Address				City	Province	Postal Code		
	665 ARVIN AVENUE				STONEY CREEK	ON	L8E 5R2		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	2565698 ONTARIO INC.								
	Address				City	Province	Postal Code		
	161 THE WEST MALL				TORONTO	ON	M9C 4V8		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X				
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	BEARD WINTER LLP (JLD)								
	Address				City	Province	Postal Code		
	701-130 ADELAIDE ST W				TORONTO	ON	M5H 2K4		

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	EVELEY INTERNATIONAL CORPORATION						
File Currency	19APR 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	748355922	3	5	4	8	14FEB 2024	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
748355922		001	1		20190214 1526 9224 0506	P PPSA	05
Individual Debtor	Date of Birth	First Given Name			Initial	Surname	

Business Debtor	Business Debtor Name						Ontario Corporation Number		
	EVELEY INTERNATIONAL CORPORATION								
	Address				City	Province	Postal Code		
	665 ARVIN AVENUE				STONEY CREEK	ON	L8E 5R2		
Individual Debtor	Date of Birth		First Given Name		Initial	Surname			
	29AUG1958		DAWN		M	EVELEY			
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address				City	Province	Postal Code		
	45 LAKEGATE DRIVE				STONEY CREEK	ON	L8E 3T7		
Secured Party	Secured Party / Lien Claimant								
	CANADIAN EQUIPMENT FINANCE & LEASING INC.								
	Address				City	Province	Postal Code		
	250 WOOLWICH ST S, UNIT 5				BRESLAU	ON	N0B 1M0		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	CANADIAN EQUIPMENT FINANCE & LEASING INC.								
	Address				City	Province	Postal Code		
	250 WOOLWICH ST S, UNIT 5				BRESLAU	ON	N0B 1M0		

END OF FAMILY

Type of Search	Business Debtor							
Search Conducted On	EVELEY INTERNATIONAL CORPORATION							
File Currency	19APR 2020							
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
	757813833	4	5	5	8	21NOV 2025		
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN								
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period	
757813833		01	003		20191121 1009 1462 3040	P PPSA	6	
Individual Debtor	Date of Birth		First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number	
	EVELEY INTERNATIONAL CORPORATION						1997772	
	Address				City	Province	Postal Code	
	665 ARVIN AVENUE				STONEY CREEK	ON	L8E5R2	
Individual Debtor	Date of Birth		First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name						Ontario Corporation Number	

		Address		City		Province		Postal Code	
Secured Party		Secured Party / Lien Claimant							
		CANADIAN WESTERN BANK - BROKER BUYING CENTRE							
		Address		City		Province		Postal Code	
		SUITE 285, 4000 GLENMORE COURT		CALGARY		AB		T2C5R8	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X		X				
Motor Vehicle Description	Year	Make			Model		V.I.N.		
	2019	ESAB			PLASMA 559381192		MX1926047881		
	2019	ESAB			CCM 559097335		MX1927048054		
General Collateral Description	General Collateral Description								
	ONE (1) 2019 ESAB PLASMA CUTTING SYSTEM 559381192 S/N MX1926047881								
	ONE (1) 2019 ESAB CCM 559097335 S/N MX1927048054								
	ONE (1) 2019 ESAB PLASMA CUTTING SYSTEM 559381192 S/N MX1926047883								
Registering Agent	Registering Agent								
	CANADIAN WESTERN BANK - BROKER BUYING CENTRE								
	Address		City		Province		Postal Code		
	SUITE 285, 4000 GLENMORE COURT		CALGARY		AB		T2C5R8		

CONTINUED

Type of Search	Business Debtor							
Search Conducted On	EVELEY INTERNATIONAL CORPORATION							
File Currency	19APR 2020							
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
	757813833	4	5	6	8	21NOV 2025		
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN								
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period	
757813833		02	003		20191121 1009 1462 3040	P PPSA	6	
Individual Debtor	Date of Birth		First Given Name			Initial		Surname
Business Debtor	Business Debtor Name						Ontario Corporation Number	
	Address				City	Province	Postal Code	
Individual Debtor	Date of Birth		First Given Name			Initial		Surname
Business Debtor	Business Debtor Name						Ontario Corporation Number	
	Address				City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant							
	Address		City		Province		Postal Code	

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model			V.I.N.			
	2019	ESAB	PLASMA 559381192			MX1926047883			
	2019	ESAB	CCM 559097335			MX1927048123			
General Collateral Description	General Collateral Description								
	ONE (1) 2019 ESAB CCM 559097335 S/N MX1927048123								
	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY THAT RESULTS FROM								
Registering Agent	Registering Agent								
	CANADIAN WESTERN BANK - BROKER BUYING CENTRE								
	Address					City	Province	Postal Code	
	SUITE 285, 4000 GLENMORE COURT					CALGARY	AB	T2C5R8	

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	EVELEY INTERNATIONAL CORPORATION								
File Currency	19APR 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	757813833	4	5	7	8	21NOV 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
757813833		03	003		20191121 1009 1462 3040	P PPSA	6		
Individual Debtor	Date of Birth		First Given Name			Initial		Surname	
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address					City	Province	Postal Code	
Individual Debtor	Date of Birth		First Given Name			Initial		Surname	
Business Debtor	Business Debtor Name						Ontario Corporation Number		
	Address					City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant								
	Address					City	Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model			V.I.N.			

General Collateral Description	General Collateral Description			
	THE SALE, DISPOSITION OR OTHER DEALINGS WITH THE COLLATERAL			
	DESCRIBED ABOVE OR THE PROCEEDS THEREFROM INCLUDING ALL ADDITIONS,			
	SUBSTITUTIONS AND REPLACEMENTS AND AMOUNTS OWING THEREUNDER.			
Registering Agent	Registering Agent			
	CANADIAN WESTERN BANK - BROKER BUYING CENTRE			
	Address	City	Province	Postal Code
	SUITE 285, 4000 GLENMORE COURT	CALGARY	AB	T2C5R8

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	EVELEY INTERNATIONAL CORPORATION						
File Currency	19APR 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	759264705	5	5	8	8	13JAN 2025	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
759264705		001	1		20200113 1302 6083 8119	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	EVELEY INTERNATIONAL CORPORATION			
	Address	City	Province	Postal Code
	665 ARVIN AVENUE	HAMILTON	ON	L8E 5R2

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant			
	DAWN-MARIE EVELEY			
	Address	City	Province	Postal Code
	665 ARVIN AVENUE	HAMILTON	ON	L8E 5R2

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

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

General Collateral Description	General Collateral Description			
	GENERAL SECURITY AGREEMENT			

Registering Agent	Registering Agent			
	SIMPSONWIGLE LAW LLP (SRL)			
	Address	City	Province	Postal Code
	SUITE 103. 1006 SKYVIEW DRIVE	BURLINGTON	ON	L7P 0V1

LAST PAGE

Note: All pages have been returned.[BACK TO TOP](#)

All Pages ▾



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[ServiceOntario Contact Centre](#)Web Page ID: **WEnqResult**System Date: **20APR2020**

Last Modified: November 03, 2019

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Tab H

This is Exhibit “H” to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'BSC' followed by a horizontal line.

A Commissioner, etc.



R. BRENDAN BISSELL
Direct Dial **416-597-6489**
Email **bissell@gsnh.com**

April 17, 2020

DELIVERED BY EMAIL

Dawn Eveley
Eveley International Corporation
665 Arvin Ave.
Stoney Creek, ON L8E 5R2

Dear Ms. Eveley

RE: Loans by Canadian Equipment Finance & Leasing Inc. (the "Lender") to Eveley International Corporation (the "Borrower")

We act for the Lender and are advised that the Borrower has committed one or more events of default under the loan agreements with the Lender, including ceasing to carry on business and permitting the security interest held by 2565698 Ontario Inc. to become enforceable against the collateral subject to the Lender's loans..

In the circumstances, the amounts owing to the Lender are therefore immediately due and owing, and on behalf of the Lender we hereby demand payment in the amounts of \$578,330.16 in respect of loan account no. 12201102019-001 and \$586,812.60 in respect of loan account no. 12201102019-002.

Also enclosed is our client's Notice of Intention to Enforce Security. If the Borrower is prepared to consent to the Lender's immediate enforcement of its security, please so indicate on the acknowledgement signature line on the Notice.

Yours truly,

GOLDMAN SLOAN NASH & HABER LLP

Per:

R. Brendan Bissell

RBB:mp
Encl.

c.c. Gus Camelino (via email)
Brent Keenan (via email)

NOTICE OF INTENTION TO ENFORCE SECURITY

(SUBSECTION 244(1) OF THE BANKRUPTCY AND INSOLVENCY ACT)

TO: EVELEY INTERNATIONAL CORPORATION
an Insolvent Person

TAKE NOTICE THAT:

1. Canadian Equipment Finance & Leasing Inc., as lender pursuant to loan agreements with the Insolvent Person numbered 122-03-2019-001 dated March 4, 2019 and numbered 122-03-2019-002 November 1, 2019 dated intends to enforce its security on the property of the Insolvent Person, being all personal property of the insolvent person as set out in a general security agreement between the Lender and the Insolvent Person dated March 4, 2019 (the "GSA").
2. The security that is to be enforced is the GSA.
3. The total amount of indebtedness secured by the security at the present time is **\$1,165,142.70** on account of principal, interest, taxes and cost, together with further interest accruing after that date plus costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period following the sending of this Notice, unless the Insolvent Person consents to an earlier enforcement.

DATED at Toronto, Ontario this 17th day of April, 2020.

Canadian Equipment Finance & Leasing Inc.
By its solicitors, Goldman Sloan Nash & Haber LLP




Per:
R. Brendan Bissell

Note: This notice is a required document under the *Bankruptcy and Insolvency Act*. The use of the word "insolvent" is prescribed by that Act and nothing herein shall be deemed to imply that any person to whom this Notice is delivered is, in fact, insolvent.

Eveley International Corporation hereby consents by its solicitor, Gustavo Camelino, to the immediate enforcement of the security held by Canadian Equipment Finance & Leasing Inc.

Dated: April 17, 2020



Gustavo Camelino

Tab I

Tab I

This is Exhibit "I" to the Affidavit
of Brent Keenan, sworn before me
this 22nd day of April, 2020

A handwritten signature in blue ink, appearing to be "J. J. Keenan", written over a horizontal line.

A Commissioner, etc.

EVELEY INTERNATIONAL CORP.

STATEMENT

665 ARVIN AVENUE
 STONEY CREEK, ONTARIO L8E 5R2
 Canada

CUSTOMER NO.: ITD1
 PAGE: 1
 DATE: 2020-04-13

SOLD INNOVATIVE TRAILER DESIGN IND.
 TO: 161 THE WEST MALL
 TORONTO, ON M9C 4V8

REMIT TO ADDRESS:

Eveley Alignment & Spring

Attn: howard.levy@itdtrailers.com

DOCUMENT NUMBER	DOCUMENT DATE	Type	REFERENCE/APPLIED NUMBER	DUE DATE	AMOUNT
34915	2019-11-12	IN	041425	2019-12-27	354.54
34924	2019-11-15	IN	PO041081	2019-12-30	43,336.07
34925	2019-11-15	IN	PO041063	2019-12-30	16,718.21
34964	2019-12-06	IN	041396	2020-01-20	1,030.85
34973	2019-12-10	IN	PO041329	2020-01-24	19,067.87
34974	2019-12-10	IN	041332	2020-01-24	3,466.89
35016	2020-01-17	IN	041832	2020-03-02	122.15
35110	2020-03-09	IN	41931	2020-04-23	5,347.16
35111	2020-03-09	IN	041642	2020-04-23	5,347.16
35112	2020-03-10	IN	41925	2020-04-24	21,388.64
35174	2020-03-31	IN	41956	2020-05-15	29,456.73

IN - Invoice
 DB - Debit Note
 CR - Credit Note
 IT - Interest Payable

PY - Applied Receipt
 ED - Earned Discount
 AD - Adjustment
 PI - Prepayment

UC - Unapplied Cash
 RF - Refund

Total: 145,636.27
 Credit Limit: 0.00
 Credit Available: 0.00

1 - 30 DAYS O/DUE
 0.00

31 - 60 DAYS O/DUE
 122.15

61 - 90 DAYS O/DUE
 23,565.61

OVER 90 DAYS O/DUE
 60,408.82

Tab J

This is Exhibit “J” to the
Affidavit of Brent Keenan, sworn
before me this 22nd day of April,
2020

A handwritten signature in blue ink, appearing to be 'Brent Keenan', written over a horizontal line.

A Commissioner, etc.

**itd INNOVATIVE TRAILER
DESIGN INDUSTRIES**

161 THE WEST MALL, ETOBICOKE, ONTARIO M9C 4V8

SCOTIABANK
25 THE WEST MALL
ETOBICOKE, ON
M9C 1B8

7611

DATE 3 0 1 2 2 0 1 9
D/J D/J M/M M/M Y/A Y/A Y/A Y/A

PAY **** SIXTY THOUSAND FIFTY FOUR AND 28/100

\$ *****60,054.28

TO THE
ORDER OF
PAYER A
L'ORDRE DE

EVELEY INTERNATIONAL CORP
665 ARVIN AVENUE
STONEY CREEK, ON L8E 5R2
Canada

INNOVATIVE TRAILER DESIGN INDUSTRIES INC.

PER/PAR

AUTHORIZED SIGNATURES / SIGNATURES AUTORISEES

⑈007611⑈ ⑆47696⑈002⑆ 04943⑈13⑈

**itd INNOVATIVE TRAILER
DESIGN INDUSTRIES**

161 THE WEST MALL, ETOBICOKE, ONTARIO M9C 4V8

SCOTIABANK
25 THE WEST MALL
ETOBICOKE, ON
M9C 1B8

7592

DATE 2 7 1 2 2 0 1 9
D/J D/J M/M M/M Y/A Y/A Y/A Y/A

PAY **** THREE HUNDRED FIFTY FOUR AND 54/100

\$ *****354.54

TO THE
ORDER OF
PAYER A
L'ORDRE DE

EVELEY INTERNATIONAL CORP
665 ARVIN AVENUE
STONEY CREEK, ON L8E 5R2
Canada

INNOVATIVE TRAILER DESIGN INDUSTRIES INC.

PER/PAR

AUTHORIZED SIGNATURES / SIGNATURES AUTORISEES

⑈007592⑈ ⑆47696⑈002⑆ 04943⑈13⑈

INNOVATIVE TRAILER DESIGN INDUSTRIES INC.

EVELEY INTERNATIONAL CORP
December 27, 2019

7592

Check No. 7592

Document No.	Document Date	Amount	Discount	Net Amount
34915	11/12/19	354.54	0.00	354.54

Total	354.54
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INNOVATIVE TRAILER DESIGN INDUSTRIES INC.

EVELEY INTERNATIONAL CORP
December 30, 2019

7611

Check No. 7611

Document No.	Document Date	Amount	Discount	Net Amount
34924	11/15/19	43,336.07	0.00	43,336.07
34925	11/15/19	16,718.21	0.00	16,718.21

Total	60,054.28
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Court File No. CV-20-00639897-00CL

CANADIAN EQUIPMENT FINANCE & LEASING INC.
Applicant

- and -

EVELEY INTERNATIONAL CORPORATION
Respondent

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

AFFIDAVIT OF BRENT KEENAN

GOLDMAN SLOAN NASH & HABER LLP

Barristers & Solicitors
480 University Avenue, Suite 1600
Toronto, Ontario
M5G 1V2

R. Brendan Bissell [LSO No. 40354V]

Email: bissell@gsnh.com

Tel: (416) 597-6489

Fax: (416) 597-3370

Lawyers for the Applicant,
Canadian Equipment Finance & Leasing Inc.

Tab 3

Court File No. CV-20-00639897-00CL

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

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

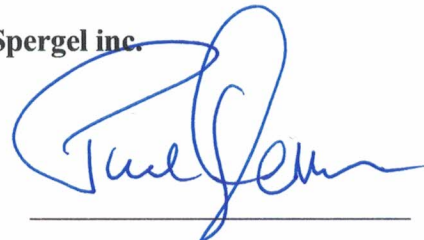
APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

CONSENT

msi Spergel inc. hereby consents to act as the court-appointed interim receiver of the Respondent in this proceeding pursuant to s. 47 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 in the terms of the draft Order filed by the Applicant.

Dated this 22nd day of April, 2020

msi Spergel inc.



Per: _____

Name: Philip H. Gennis, JD., CIRP, LIT

Title: Senior Principal

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

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

CONSENT

GOLDMAN SLOAN NASH & HABER LLP
Barristers & Solicitors
480 University Avenue, Suite 1600
Toronto, Ontario
M5G 1V2

R. Brendan Bissell [LSO No. 40354V]
Email: bissell@gsnh.com
Tel: (416) 597-6489
Fax: (416) 597-3370

Lawyers for the Applicant,
Canadian Equipment Finance & Leasing Inc.

Tab 4

SCHEDULE "A"

Court File No. CV-20-00639897-00CL

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

THE HONOURABLE MR.)	THURSDAY, THE 23 RD
)	
JUSTICE MCEWEN)	DAY OF APRIL, 2020

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

**ORDER
(appointing Interim Receiver)**

THIS MOTION made by the Applicant for an Order pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing msi Spergel Inc. as interim receiver (in such capacity, the "**Interim Receiver**") without security, of all of the assets, undertakings and properties of Eveley International Corporation (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via videoconference.

ON READING the affidavits of Brent Keenan and Dawn Eveley sworn April 22, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the respondent and 2565698 Ontario Inc. no one appearing for any other party on the service list

although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel Inc. to act as the Interim Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 47(1) of the BIA msi Spergel Inc. is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

INTERIM RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

- 3 -

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Interim Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to

- 4 -

the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall

grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

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

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

7. THIS COURT ORDERS that Benito Di Franco and any other employee or representative of either 2565698 Ontario Inc. or Innovative Trailer Design Industries Ltd. shall not have any contact with suppliers or customers of the Debtor or with potential purchasers of the Debtor's assets or undertakings and shall instead direct all such communications to the Interim Receiver.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE INTERIM RECEIVER

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

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

CONTINUATION OF SERVICES

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

INTERIM RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Interim Receivership Accounts**") and the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Interim Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-

related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall

exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "Interim Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

20. THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands,

against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP


21. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<>’.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of

this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

33. THIS COURT ORDERS that, subject to further Order of the Court, the Interim Receiver's appointment shall expire on May 23, 2020 or such earlier time as is required by subs. 47(1) of the BIA.

SCHEDULE "A"**INTERIM RECEIVER CERTIFICATE**

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], (the "Interim Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number ____-CL-_____, has received as such Interim Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

- 2 -

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity
as Interim Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

Tab 5

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

Court File No. CV-20-00639897-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.) WEEKDAY THURSDAY, THE #23RD
JUSTICE MCEWEN) DAY OF MONTH APRIL, 20YR 2020

PLAINTIFF[†]

Plaintiff

BETWEEN:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

DEFENDANT

Defendant

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

ORDER
(appointing Interim Receiver)

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

THIS MOTION made by the ~~Plaintiff~~² Applicant for an Order pursuant to section ~~243~~47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "~~BIA~~") ~~and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA")~~ appointing ~~[RECEIVER'S NAME]~~ msi Spergel Inc. as interim receiver ~~[and manager]~~ (in such ~~capacities~~ capacity, the "Interim Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ Eveley International Corporation (the "~~Debtor~~") acquired for, or used in relation to a business carried on by the Debtor, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ via videoconference.

ON READING the ~~affidavit of [NAME]~~ affidavits of Brent Keenan and Dawn Eveley sworn ~~[DATE]~~ April 22, 2020 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ the Applicant, the respondent and 2565698 Ontario Inc. no one appearing for ~~[NAME]~~ any other party on the service list although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of ~~[RECEIVER'S NAME]~~ msi Spergel Inc. to act as the Interim Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section ~~243~~47(1) of the BIA ~~and section 101 of the CJA,~~ ~~[RECEIVER'S NAME]~~ msi Spergel Inc. is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

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

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

INTERIM RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in

- 4 -

collecting such monies, including, without limitation, to enforce any security held by the Debtor;

- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Interim Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

~~(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;~~

~~(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,~~

~~(i) without the approval of this Court in respect of any transaction not exceeding \$_____, provided that the aggregate consideration for all such transactions does not exceed \$_____; and~~

~~(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;~~

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

~~and in each such case notice under subsection 63(4) of the Ontario Personal Property Security Act, [or section 31 of the Ontario Mortgages Act, as the case may be,]⁵ shall not be required, and in each case the Ontario Bulk Sales Act shall not apply.~~

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

~~(j)~~ (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

~~(k)~~ (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

~~(l)~~ (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the Debtor;

~~(m)~~ (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

~~(n)~~ (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

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

(o) ~~(+)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

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

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service

provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. ~~THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.~~ COURT ORDERS that Benito Di Franco and any other employee or representative of either 2565698 Ontario Inc. or Innovative Trailer Design Industries Ltd. shall not have any contact with suppliers or customers of the Debtor or with potential purchasers of the Debtor's assets or undertakings and shall instead direct all such communications to the Interim Receiver.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE INTERIM RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Interim Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the

Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Interim Receivership Accounts**") and the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Interim Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Interim Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and

attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Interim Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Interim Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under

sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "Interim Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

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

20. THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE INTERIM RECEIVERSHIP

21. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time

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

as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for

substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<@>’.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

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

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

30. THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever

located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

33. THIS COURT ORDERS that, subject to further Order of the Court, the Interim Receiver's appointment shall expire on May 23, 2020 or such earlier time as is required by subs. 47(1) of the BIA.

DOCSTOR: 1771742\8

SCHEDULE "A"

INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], ~~the receiver~~ (the "Interim Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Interim Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

- 2 -

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity
as Interim Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

Document comparison by Workshare Professional on Wednesday, April 22,
2020 2:56:03 PM

Input:	
Document 1 ID	file:///U:\BBissell\CEFL re Eveley International and 2565698 Ontario -\Pleadings\receivership-order-EN.doc
Description	receivership-order-EN
Document 2 ID	file:///U:\BBissell\CEFL re Eveley International and 2565698 Ontario -\Pleadings\draft order v.1.doc
Description	draft order v.1
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Legend:	
<u>Insertion</u>	
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Format change	
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Moved cell	
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Padding cell	

Statistics:	
	Count
Insertions	146
Deletions	64
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	210

Tab 6

Court File No. CV-20-00639897-00CL

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

B E T W E E N:

CANADIAN EQUIPMENT FINANCE & LEASING INC.

Applicant

- and -

EVELEY INTERNATIONAL CORPORATION

Respondent

APPLICATION UNDER Section 47 of the *Bankruptcy and Insolvency Act*

SERVICE LIST

(as at April 22, 2020)

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<p>DEPARTMENT OF JUSTICE The Exchange Tower 130 King Street West, Suite 3400 Toronto, ON M5X 1K6</p> <p>Diane Winters Tel: (416) 973-3172 Fax: (416) 973-0810 Email: diane.winters@justice.gc.ca</p>	<p>HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE Legal Services Branch 777 Bay Street, 11th Floor Toronto, ON M5G 2C8</p> <p>Kevin J. O'Hara Tel: 416.327.8463 Fax: 416.325.1460 Email: kevin.ohara@ontario.ca</p>

CANADIAN EQUIPMENT FINANCE & LEASING INC.
Applicant

- and -

EVELEY INTERNATIONAL CORPORATION
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

APPLICATION RECORD

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