



**Supplement to the First Report to Court of
KSV Restructuring Inc.
as Receiver and Manager of
2806401 Ontario Inc. o/a Allied Track
Services Inc.**

October 26, 2022

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COURT FILE NO. CV-22-00687383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST

IN THE MATTER OF THE RECEIVERSHIP OF 2806041 ONTARIO INC. O/A ALLIED
TRACK SERVICES INC., A CORPORATION INCORPORATED UNDER THE LAWS OF
ONTARIO

BETWEEN:

PRICEWATERHOUSECOOPERS INC. (SOLELY IN ITS CAPACITY AS COURT-
APPOINTED RECEIVER AND MANAGER OF BRIDGING FINANCE INC. AND CERTAIN
RELATED ENTITIES AND INVESTMENT FUNDS)

APPLICANT

- AND -

2806401 ONTARIO INC. O/A ALLIED TRACK SERVICES INC.

RESPONDENTS

SUPPLEMENT TO THE FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

OCTOBER 26, 2022

1.0 Introduction

1. This report (the “Supplemental Report”) supplements the Receiver’s First Report to Court dated October 20, 2022 (the “First Report”).
2. Unless otherwise stated, capitalized terms used in this report have the meanings provided to them in the First Report.

1.1 Restrictions

1. This Supplemental Report is subject to the restrictions in the First Report.

2.0 Leased Equipment

1. Since the filing of the First Report on October 20, 2022, a number of developments have occurred with respect to the various lessors of equipment to Allied. These developments are described below.

2.1 Calmont Leasing Ltd.

1. The Receiver corresponded with Calmont regarding a potential buyout of the Calmont lease. As of the date of this Supplemental Report, Calmont has not responded. The Receiver will continue to follow up, and if a buyout at an acceptable price is not possible, the Receiver will return the Calmont Units to Calmont, as proposed in the First Report.

2.2 Caterpillar Financial Services Limited

1. The Receiver has corresponded with Caterpillar regarding a buyout of its lease. The Receiver intends to buy out the Caterpillar lease and the Auctioneer has agreed to increase the Guaranteed Amount by the amount proposed by Caterpillar. The Caterpillar Unit will therefore be included in the auction contemplated by the ASA.
2. The Receiver intends to formalize the buyout of the Caterpillar Unit and include the Caterpillar Unit in the “Assets” to be sold pursuant to the ASA. The Caterpillar Unit has accordingly been included in Schedule “A” to the draft order sought by the Receiver, and a blackline of the draft order against the version that was served by the Receiver with the First Report is attached hereto as Appendix “A” (the “Order”). The Receiver will not sell the Caterpillar Unit until the buyout has been formalized, or until Caterpillar consents.

2.3 Danella Rental Systems Ltd.

1. The Receiver was contacted by Goodmans LLP (“Goodmans”) on October 24, 2022 and advised that it was in the process of being retained by Danella.
2. As set out in the First Report, the Receiver has concluded that the Danella Units were leased by Old Allied pursuant to a financing lease of a term of more than one year and that Danella’s deemed security interest is not perfected because Danella did not register against Old Allied or Allied under any personal property security registry. The Receiver notified Danella of this position by letter dated October 12, 2022.
3. Danella has not advised the Receiver of its position regarding the relief being sought in the Receiver’s motion.

2.4 Falcon Equipment Ltd. and Valiant Financial Services Inc.

1. The Receiver has reached out to Valiant to inquire about a buyout of the Valiant lease. Valiant responded and advised that its counsel will be in touch with the Receiver to discuss buyout options. As of the date of this Supplemental Report, the Receiver has not yet corresponded with Valiant’s counsel.

2. As advised in the First Report, if an acceptable buyout amount can be negotiated, the Receiver intends to pursue that and sell the Valiant Units. If no such buyout is achievable, the Receiver intends to return the Valiant Units to Valiant.
3. The Valiant Units have been added to the Order. The Receiver will not sell the Valiant Units until the buyout has been formalized, or until Valiant consents.

2.5 Meridian OneCap Credit Corp.

1. The Receiver has inquired with Meridian regarding a buyout of the Meridian lease. As of the date of this Supplemental Report, no response has been received.
2. The Meridian lease includes an early purchase option, effective as of 25 months after the August 17, 2021 commencement date of the lease, which the Receiver intends to exercise. The Receiver will continue to follow up with Meridian.
3. As reported in the First Report, anticipating that a buyout will be completed, the Meridian Unit is listed in Schedule "A" of the ASA, as an asset to be sold.
4. The Meridian Unit has been added to the Order. The Receiver will not sell the Meridian Unit until the buyout has been formalized, or until Meridian consents.

2.6 Quip Finance and Vault Credit Corporation

1. The Receiver has inquired with representatives of Vault in respect of a buyout of the Vault Unit. Vault is prepared to accept a buyout at an amount that the Auctioneer is willing to match by an increase to the Guaranteed Amount if the Vault Unit is included in the auction contemplated by the ASA.
2. The Receiver intends to formalize the buyout of the Vault Unit and include the Vault Unit in the "Assets" to be sold pursuant to the ASA. The Vault Unit has accordingly been included in Schedule "A" to the draft order sought by the Receiver. The Receiver will not sell the Vault Unit until the buyout has been formalized, or until Vault consents.

2.7 Wheaton Chevrolet Buick Cadillac GMC Ltd.

1. The Receiver's counsel contacted Wheaton on October 20, 2022 to inquire whether Wheaton would agree to a buyout of the Wheaton lease. On a subsequent phone call the next day, a representative of Wheaton advised the Receiver's counsel that Wheaton required that the Wheaton Unit be returned immediately and once in possession, it would consider the terms of a potential buyout.
2. Wheaton was advised by the Receiver's counsel that the Receiver would not be returning the Wheaton Unit until after the Receiver's motion on October 28, 2022, including because Allied's stakeholders may object to the return of the Wheaton Unit that was proposed in the First Report. The Receiver's counsel confirmed this position in writing, by email on the same day.

3. On the evening of October 21, 2022, the Receiver was notified by an employee of Allied that Wheaton had contacted him and indicated that agents of Wheaton were on their way to retrieve the Wheaton Unit. In response to this information, the Receiver's counsel sent a second email to the Wheaton representative, attaching the Appointment Order, and reiterating the Receiver's position that the Wheaton Unit would not be returned until after the October 28, 2022 hearing. This email included the following:

“...if Wheaton attempts to seize or repossess the Denali, it will be in breach of the attached order and in contempt of Court. If what we have heard is correct, and representatives of Wheaton are on their way to seize the vehicle, I would encourage you to contact them and tell them to stop, immediately. Should you choose to take action in breach of the attached Court order, the Receiver reserves all of its rights against Wheaton.”

4. Notwithstanding the objections of the Receiver, on Monday, October 24, 2022, the Receiver learned from Allied that Wheaton representatives attended at the property of the Allied representative, without permission, and took possession of the Wheaton Unit on October 21, 2022. The Receiver was advised by the Allied employee that he spoke to Dave Wheaton, the owner of Wheaton, who informed him that if the Wheaton Unit was not surrendered to Wheaton, it would be towed.
5. On October 24, 2022, the Receiver's counsel wrote to Wheaton to express the Receiver's objection to the seizure of the Wheaton Unit and reserve all rights against Wheaton. A copy of this letter, which attaches the two October 21, 2022 emails from the Receiver's counsel, is provided as Appendix “B”.
6. In the Receiver's view, Wheaton and Mr. Wheaton are in breach of the stay of proceedings in the Appointment Order, which they knowingly and intentionally violated. The Receiver may seek relief as against Wheaton or Mr. Wheaton at a later date and reserves all of its rights to do so, including claims for damages and costs incurred as a result of Wheaton's breach of the Appointment Order.

2.8 Queenston Chevrolet Buick GMC and Setay Motors Inc.

1. The Receiver has been in contact with representatives of Setay and is discussing a potential buyout of the leases related to the VIN Registered Setay Units. As of the date of this Supplemental Report, terms for a buyout have not been agreed by the parties.
2. The Receiver understands from Setay that it does not object to the relief sought by the Receiver to sell the Unregistered Setay Units.

2.9 LMS Rail Services Limited

1. As detailed in the First Report, the Receiver has been in contact with LMS since September 9, 2022 regarding LMS's unperfected deemed security interest and has been corresponding with LMS's counsel since October 14, 2022.

2. Subsequent to the filing of the First Report, the Receiver was provided with an email update on October 21, 2022 by LMS's counsel regarding the LMS Units. The following is based on the information provided in that email. The Receiver's position with respect to the LMS Units, as outlined in the First Report, is unchanged from the First Report, except that the Receiver is satisfied that two of the LMS Units ought to be returned to LMS because they are not subject to a lease of a term of more than one year.
3. The Receiver has updated the chart summary attached as Appendix "I" to the First Report to reflect the information provided by LMS, and information confirmed by the Receiver pursuant to updated searches against the LMS Unit VINs. This updated chart summary is attached as Appendix "C".

New Master Lease & Lease Schedules

4. LMS provided a copy of an equipment master lease dated March 22, 2021 between Allied and LMS, which appears to have been entered into prior to the purchase of Old Allied's assets by Allied on April 30, 2021 (the "March 22 Master Lease"). The March 22 Master Lease includes an "entire agreement" provision and appears to be intended to be the governing document between Allied and LMS, superseding the August 1, 2016 master lease between Old Allied and LMS, attached to the First Report as Appendix "G" (the "August 1 Master Lease"). The Receiver had previously understood that the August 1 Master Lease had been assigned by Old Allied to Allied. A copy of the March 22 Master Lease is attached as Appendix "D".
5. LMS also provided 22 documents marked as "Schedule 'B' – Equipment Lease Agreement", dated between May 27, 2019 and May 27, 2022 documenting the leases of particular LMS Units (collectively, the "Schedule Bs"). Neither the March 22 Master Lease nor the August 1 Master Lease refers to a "Schedule B". LMS has not provided the "Schedule A", which is referenced in the March 22 Master Lease. The Schedule Bs are attached hereto as Appendix "E".
6. The Schedule Bs include 21 LMS Units that are in Allied's possession. One of the Schedule Bs relates to a unit that was returned by Allied to LMS prior to filing the NOI (Ford F-350 Crewcab, VIN 1FT8W3B68KEG81843).
7. The documentation in respect of the LMS Units is unclear. The March 22 Master Lease was executed before Allied purchased the assets of Old Allied, but it is executed in the name of "Allied Track Services Corp.", by an employee of Old Allied who subsequently became an employee of Allied. The amended and restated asset purchase agreement between Old Allied and Allied pursuant to which Old Allied's assets were transferred to Allied does not explicitly list any LMS leases as "Material Contracts", and it is not clear whether Allied designated any LMS lease as an "Assigned Contract". The March 17, 2021 "Agreement" attached to the First Report as Appendix "G" explicitly consents to the assignment of the August 1 Master Lease by Old Allied to Allied.

8. Regardless of whether the March 22 Master Lease between Allied and LMS governs the LMS Units, or whether the August 1 Master Lease between Old Allied and LMS was assigned by Old Allied to Allied on April 30, 2021 and governs the LMS Units, the Receiver's conclusion with respect to LMS's entitlement to the LMS Units is the same: LMS does not have priority to the LMS Units and they should be sold. Moreover, despite the fact that the reference to "Schedule B" on the Schedule Bs does not correlate with either master lease, each of the Schedule Bs identify the LMS Unit to which they apply, and each is signed by Allied, and so the Receiver considers them to be binding leases on Allied (either as direct lessor, or as lessor by assignment).

Short Term Leases

9. LMS has advised that based on the Schedule Bs, two of the LMS Units are not subject to a lease of a term of more than one year: one 2015 Ford F350 Superduty (VIN 1FT8W3B63FEC59789) and one 2016 Ford F-350 (VIN 1FT8W3B61GED34605) (collectively, the "Short Term LMS Units"). LMS has formally requested the return of the Short Term LMS Units.
10. Based on the Receiver's review of the Schedule Bs, and the Receiver's consultations with Allied employees, it is satisfied that: (a) notwithstanding that the Short Term LMS Units are leased pursuant to a master lease of a term of more than one year, each is subject to a scheduled term of less than one year; (b) the Short Term LMS Units have not been in Allied's possession for more than one year; and (c) the Short Term LMS Units were intended to be returned to Allied after having been leased for less than one year.
11. Accordingly, the Receiver is satisfied that the two Short Term LMS Units are not subject to a deemed security interest under the OPPSA and should be returned to LMS. The Receiver has amended the Order to include authorization to return the two Short Term LMS Units.

LMS Secured Creditor Payouts

12. LMS advised that some of the LMS Units in respect of which LMS Secured Creditors have registered against VINs are no longer subject to a security interest in favour of those LMS Secured Creditors. LMS advised that:
- a) Vic Lanoix Holdings Limited has been paid in full by LMS as of October 1, 2022, and therefore no longer has any valid security interests against the LMS Units;
 - b) HSBC Bank Canada has been paid in full in respect of 4 of the LMS Units against which it has registered; and
 - c) Meridian has been paid in full in respect of 4 of the LMS Units against which it has registered.

13. Based on updated searches against the LMS Unit VINs, the Receiver has confirmed that all registrations in favour of Vic Lanoix Holdings Limited have been discharged and four registrations in favour of HBSC Bank Canada have been discharged. The other VIN registrations by the LMS Secured Creditors are still registered against 19 of the 46 LMS Units. However, if the information provided by LMS is correct, it means that only 15 of the 46 LMS Units are subject to valid registrations by LMS Secured Creditors: HSBC Bank Canada (8 LMS Units), Meridian (4 LMS Units) and Caisse Populaire (3 LMS Units). This is a substantial decrease from the 41 LMS Units against which registrations have been made, as discussed in the First Report.
14. In the Receiver's view, the scope of the LMS Secured Creditors' registrations against the LMS Units is a matter for a subsequent distribution motion and will be independently confirmed with the LMS Secured Creditors and reported on in a subsequent report to Court.

LMS PPSA Registration

15. Based on the Ontario PPSA registry search results attached as Appendix "F", LMS registered against "2806401 Ontario Inc. o/a Allied Track Services Corp." on October 19, 2022, and amended that registration to amend the secured party name and add specific VINs, corresponding to the LMS Units, on October 21, 2022.

Receiver's Conclusions Regarding the LMS Units

16. The Receiver took the position in the First Report that LMS's deemed security interest in the LMS Units was unperfected as a result of its failure to register. The Receiver understands that LMS's regular business is to lease equipment, and therefore its unperfected status makes its interest in the LMS Units subordinate to the interests of Allied's other secured creditors. Now that LMS has registered, it may be perfected (subject to the reservation in paragraph 2.9.17), but as a result of the timing of that registration, it is still subordinate to the interests of Allied's other secured creditors, including Bridging.
17. Accordingly, the Receiver's recommendation with respect to the LMS Units is unchanged: for the reasons set out in the First Report, the LMS Units (other than the Short Term LMS Units) should be monetized by the Auctioneer and the proceeds should be separately recorded by the Receiver on a per-LMS Unit basis. The entitlement to the proceeds of sale of the LMS Units is a distribution matter, to be addressed at a subsequent distribution motion, at which Bridging, LMS and the LMS Secured Creditors may make submissions.
18. The Receiver has been advised by LMS's counsel that LMS does not intend to oppose the sale of the LMS Units (other than the Short Term LMS Units).
19. The Receiver notes the following regarding the LMS registrations, and reserves rights accordingly:
 - a) they were made after Allied filed the NOI. The Receiver reserves its right to take the position that this registration is therefore invalid. In the Receiver's view, this is an issue for a subsequent distribution motion, and the Receiver will make a recommendation to the Court in a subsequent report.

- b) they were made against “2806401 Ontario Inc. o/a Allied Track Services Inc.”, and do not show up on a PPSA search against “2806401 Ontario Inc.” The Receiver reserves its right to take the position that the registration was not made in accordance with the OPPSA and associated Minister’s Order.

LMS Secured Creditor Service and Contact Information

20. The Receiver has requested from LMS contact information for the account representatives at each of the LMS Secured Creditors. Contact information for individuals at Caisse Populaire and Meridian have been provided, and LMS has confirmed that Vic Lanoix and HSBC have received the Receiver’s motion record. The Receiver has served or attempted to serve the LMS Secured Creditors with its motion record as follows:
- a) Meridian: Served by email with the Receiver’s notice of motion on October 19, 2022 and served by email with the Receiver’s motion record on October 21, 2022. The Receiver will follow up with the individual contact information provided by LMS.
- b) HSBC Bank Canada: Served by courier at the address listed in HSBC Bank Canada’s registrations against the LMS Units, with delivery confirmed as of October 24, 2022 at 10:03 am.
- c) Caisse Populaire: Served by courier at the address listed in the Caisse Populaire’s registrations against the LMS Units, with delivery confirmed as of October 25, 2022 at 9:54 am. The Receiver will follow up with the individual contact information provided by LMS.
- d) Vic Lanoix Holdings: The Receiver’s courier has advised that Vic Lanoix Holdings cannot be located at the address listed in its registrations against the LMS Units. The Receiver confirmed through corporate searches that there was an error in the address in the Vic Lanoix registration, and has sent by courier its motion record to the address on the Vic Lanoix corporate profile report, which is expected to be delivered on October 26, 2022.

3.0 Recommendations

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief set out in Section 1.1(1)(h) of the First Report, as amended by the revised draft order attached hereto as Appendix “A”.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF
2806401 ONTARIO INC. O/A ALLIED TRACK SERVICES INC.
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**

Appendix “A”

Court File No.: CV-22-00687383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
COMMERCIAL LIST

THE HONOURABLE MADAM)	FRIDAY, THE 28 TH
)	
JUSTICE CONWAY)	DAY OF OCTOBER, 2022

IN THE MATTER OF THE RECEIVERSHIP OF 2806401 ONTARIO INC.
o/a ALLIED TRACK SERVICES INC., A CORPORATION
INCORPORATED UNDER THE LAWS OF ONTARIO

BETWEEN:

PRICEWATERHOUSECOOPERS INC.
(solely in its capacity as Court-appointed receiver and manager of Bridging Finance Inc.
and certain related entities and investment funds)

Applicant

- and -

2806401 ONTARIO INC. o/a ALLIED TRACK SERVICES INC.

Respondent

ORDER
(Approving Auction Services Agreement, and Ancillary Matters)

THIS MOTION made by KSV Restructuring Inc., (“**KSV**”) in its capacity as receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of 2806401 Ontario Inc. o/a Allied Track Services (the “**Debtor**”) for an order, among other things, approving the auction services agreement dated October 19, 2022 (the “**ASA**”) between the Receiver and Corporate Assets Inc. (the “**Auctioneer**”) to (i)

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permit the Auctioneer to conduct a sale of the assets set out in the ASA, and (ii) vesting all right, title and interest of the Debtor in and to the assets described in Schedule “A” to this Order, and any assets of the Debtor that may be added to Schedule A of the ASA by the Receiver and the Auctioneer (the “Assets”) to the purchasers as identified by the Auctioneer pursuant to the ASA, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the First Report of KSV as Receiver dated October 19, 2022 (the “**First Report**”), [the Supplement to the First Report of KSV as Receiver dated October 26, 2022 \(the “Supplement”\)](#) and on hearing the submissions of counsel for the Receiver, and those other counsel and parties listed on the Participant Information Form, no one else appearing although duly served as appears from the affidavit of service of [Nancy Thompson] sworn October [DATE]21, 2022,

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.

APPROVAL AND VESTING

2. **THIS COURT ORDERS AND DECLARES** that the ASA and the transactions contemplated thereby are hereby approved, with such minor amendments as the Receiver and the Auctioneer may deem necessary and agree to in writing. Subject to the provisions of this Order, the Receiver is authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable to implement the ASA and the transactions contemplated therein.

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3. **THIS COURT ORDERS** that subject to the terms of the ASA, the Auctioneer be and hereby is appointed as agent of the Debtor to sell the Assets.

4. **THIS COURT ORDERS** that, without limiting the generality of Paragraph 2, the Receiver and the Auctioneer are hereby authorized to sell, pursuant to the terms of the ASA, the Assets defined in the First Report as the LMS Units [\(other than the Short Term LMS Units, as defined in the Supplement\)](#), the Danella Units and the Unregistered Setay Units, which for greater certainty are scheduled as Assets to this Order.

5. **THIS COURT ORDERS AND DECLARES** that effective upon the delivery of a bill of sale by the Auctioneer to a purchaser (each, a “**Purchaser**”), any sale of the Assets set out in such bill of sale by the Auctioneer on behalf of the Debtor to a Purchaser shall be free and clear of and from any and all security interests (whether contractual, statutory or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) charges created by the order of Mr. Justice Osborne issued on September 23, 2022, and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of the foregoing, collectively, “**Encumbrances**”), and for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Assets set out in such bill of sale shall be deemed expunged and discharged as against the Assets and that all of the Debtor’s right, title and interest in and to the Assets shall vest absolutely in the applicable Purchaser.

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6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds payable to the Receiver from the sale of the Assets (the “**Net Proceeds**”) shall stand in the place and stead of the Assets, and that from and after the delivery of the bill of sale delivered by the Auctioneer to the Purchaser, all Claims and Encumbrances shall attach to the Net Proceeds from the sale of the Assets with the same priority as they had with respect to the Assets immediately prior to the sale as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS** that, notwithstanding:

(a) The pendency of these proceedings;

(b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) in respect of the Debtor, any bankruptcy order issued pursuant to any such application, or any deemed assignment resulting from the Debtor’s failure to file a proposal pursuant to section 50.4(8) of the BIA; and

(c) Any assignment in bankruptcy made in respect of the Debtor;

the transaction as contemplated by the ASA and the vesting of the Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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8. **THIS COURT DIRECTS** the Receiver to segregate the proceeds of sale of the LMS Units (as defined in the First Report) received by the Receiver from the Auctioneer (the “**LMS Proceeds**”), which LMS Proceeds shall not be distributed by the Receiver except by further order of this Court.

VIN REGISTERED SETAY UNITS

9. **THIS COURT AUTHORIZES** the Receiver to (a) return the VIN Registered Setay Units, as defined in the First Report and as itemized in Schedule “B” hereto (the “**VIN Registered Setay Units**”) to Setay Motors Inc. (“**Setay**”), and (b) to pay all rent owing to Setay in respect of the VIN Registered Setay Units for the period beginning on August 25, 2022 and ending on the date that the VIN Registered Setay Units are returned to Setay, in the amounts required by the applicable Setay Lease (as defined in the First Report).

SHORT TERM LMS UNITS

10. **THIS COURT AUTHORIZES** the Receiver to return the Short Term LMS Units, as defined in the Supplement and as itemized in Schedule “B” hereto (the “**Short Term LMS Units**”) to LMS Rail Services Limited.

SEALING

11. ~~10.~~ **THIS COURT ORDERS AND DECLARES** that the Confidential Appendices to the First Report be and are hereby sealed and shall be treated as confidential until (a) the later of (i) the end of the Auction Period (as defined in the ASA), or (ii) all Assets are sold to Purchasers, or (b) further order of this Court.

APPROVAL OF ACTIVITIES

12. ~~11.~~ **THIS COURT ORDERS** that the activities of the Receiver described in the First Report, occurring between September 23, 2022 and October 19, 2022, in relation to the Debtor

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and these proceedings, are hereby ratified and approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

13. ~~12.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other jurisdiction to give effect to this Order and assist the Purchasers, the Receiver and their respective 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 Purchasers and the to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Purchasers, the Receiver and their respective agents in carrying out the terms of this Order.

14. ~~13.~~ **THIS COURT ORDERS** that this order is effective from today's date and is made and enforceable without any need for entry or filing.

SCHEDULE "A"

ASSETS

<u>Asset #</u>	<u>Description</u>	<u>Serial No/VIN/Other</u>
RAIL TOOLS AND EQUIPMENT		
10-10H TO 18H	IMPACT WRENCHS	8 UNITS
20-5W TO 11W	WELDERS PORTABLE/SHOP	4 UNITS
23-1 TO 5 PP	GIESMAR HYD POWER PACKS	5 UNITS
23-1G	GENERATOR	
23-2G	GENERATOR	
30-10C	TIE CART OTM	Fabricated IN North Bay SHOP.
30-11C	BALLAST CAR	
30-12C	BALLAST CAR	
30-13C	OTM CART	Fabricated IN North Bay SHOP.
30-14C	OTM CART	Fabricated IN North Bay SHOP.
30-15C	TIE CART OTM	Fabricated IN North Bay SHOP.
30-16C	OTM CART	Fabricated IN North Bay SHOP.
30-17C	OTM CART	Fabricated IN North Bay SHOP.
30-18C	OTM CART	Fabricated IN North Bay SHOP.
30-19C	OTM CART	Fabricated IN North Bay SHOP.
40-6B	Bearsaw	441 S/N N/A
41-7P TO 14P	PROFILE GRINDERS/SWITCH POINT	7 UNITS TOTAL LOT
50-1S	SCRAP RECLAIMER	FAIRMOUNT S/N N/A
50-2S	SCRAP RECLAIMER	HOLLEY S/N N/A
50-3S	SCRAP RECLAIMER/DUAL	HOLLEY
50-4S	SCRAP RECLAIMER/SPIKE PLUCKER	HOLLEY S/N 588
64-9J-L	64-9J-L Auto Lift - 2014 Nordic	790677RB-UG
64-10J-L	64-10J-L Plate Jack - 2015 Nor	790683RB-UG
64-11J-L	64-11J-L Auto Lift - 2015 Nord	790684RB-UG
64-12J-L	2016 Nordco Auto Lift	791084
65-5P	65-5P Super Claw - Nordco Supe	438
65-8P	65-8P Spike Puller - 2005 Nor	45022005
65-12P	65-12P Spiker Puller - 2012 No	310223
65-13P	65-13P Spike Puller - 2012 Nor	310224
65-14P	65-14P Spike Puller - 2012 Nor	310254
65-16P-L	65-12P Spiker Puller - 2012 No	310345
65-17P-L	65-17P-L Spike Puller - 2015 N	310349
70-2H	RAIL HEATER	
U79-10	SKID SPRAYER/BOOMLESS BAR	
80-7B	BLOWER MACHINE	
80-5B	NORDCO MODEL M	

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Asset #	Description	Serial No/VIN/Other
80-11B-L	80-11B-L 4600 Regulator	4600-201-15
80-12B-L	80-12B-L 4600 Regulator	4600-202-15
80-13B-L	80-13B-L M7 Regulator	800601
80-14B-L	M7 Regulator SNOW PLOW ATTACHEMENTS for item below	QTY 2
80-14B-L	80-14B-L M7 Regulator	800602
80-16B-L	80-16B-L 46-2 Regulator	46-343-12RB-UG
80-17B	80-17B 4600 Regulator	4600-217-15
81-12C	904A Liebherr	
81-14C	904A Liebherr/LONG REACH	
81-8C	902 LIEBHERR	7022480
81-20	81-20 Hitachi - 2015 / RT60B #	HCMCKB00J00001137
81-21	81-21 Hitachi - 2015 / RT60B #	HCMCKB00J00001130
81-22	81-22 Hitachi - 2015 / RT60B #	HCMLCC60K00004003
81-23	81-23 Hitachi - 2015 / RT60B #	HCMLCC60A00004007
82-5D	82-5D - 2004 Nordco CX Spiker	410500 ASF
82-6D	82-6D - 2009 Nordco CX Spiker	410141RB-UG
82-8D	82-8D - 2011 Nordco CX Spiker	410116RB-UG
82-10D	82-10D - Nordco CX Spiker	410728
82-13D-L	82-13D-L - 2015 Nordco CX Spiker	410395RB-UG
82-14D-L	82-14D-L - 2015 Nordco CX Spiker	410396RB-UG
82-15D-L	82-15D-L - 2015 Nordco CX Spiker	410397RB-UG
83-7I	83-7I Tripp - 2007 Model C	760589
83-9I	TR 10 TIE INSERTOR	
83-12I-L	83-12I-L Tripp - 2014 Model D	760589
83-13I-L	83-13I-L Tripp - 2015 Model D	760612
83-14I-L	83-14I-L Tripp - 2015 Model D	760613
84-8S	84-8S Pettibone (Pumpkin)	S/N 2652
84-13S-L	84-13S-L - 2015 Pettibone 445	SS10236-15
85-3T	85-3T - Jackson Tamper 6700	142414
85-9T	85-9T - 1988 Jackson Tamper -	6700
85-10T-L	85-10T-L - 2014 Harsco Tamper-	7114114
85-11T-L	85-11T-L - 2015 Harsco Tamper	7114174
85-13T-L	85-13T-L - 2015 Harsco Tamper	7114095
85-14T-L	85-14T-L - 2013 HST Nordco Tamper	61904013
85-16T	85-16T 2002 HTT Chase Tamper	153193
87-3Z-L	87-3Z-L - 2015 Cribber Adzer	38-218-15
88-1TM	TRACKMOBILE	31432470
88-4TM	TRACKMOBILE	
89-TS	89-TS - 1997 HTT-T50-27 TRACK	RM1090356
91-4X	LINK BELT	ECHJ8-3779
91-7X-L	2005 John Deer Excavator 120C	FF120CX035557
93-1B	580K CASE	JAB0004932
93-3B	JCB BACKHOE/WITH HIRAIL	SLP214TC8U09107
93-18	2018 CAT 430 Backhoe Loader	CAT0430FALYE00214
96-1P	RAIL PULLER	
96-2P	RAIL PULLER	
92-4P	RAIL BENDER	
	CATERPILLAR 420-07XE BACKHOE LOADER +	CAT00420KH9X00662

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<u>Asset #</u>	<u>Description</u>	<u>Serial No/VIN/Other</u>
	ACCESSIONS	
	2018 VERMEER D10X15S3 NAVIGATOR DRILL	1VRA130V6H1000511
HEAVY TRUCKS		
705	MACK BOOM TRUCK	SERCA BOOM S/N 1M2AG10J96M030420
706	MACK BOOM TRUCK/ WITH MAG	SERCS BOOM
710	Westernstar 4900SB Truck	5KJRALD12GPHN1133
711	PETERBILT 367	WET LINE
712	Peterbilt Truck	WET LINE 1XP-FDBOX
326	ROTARY DUMP	1FDZS96P2WVA24110
501	DODGE 5500/SERVICE BODY/CRANE	FIELD MECHANIC UNIT 3J7WRNBL5 88988
502	DODGE 5500/SERVICE BODY/CRANE	3C7WRNBL3FG505882
930	2000 Freightliner FL 80 Hi Rail	1FVXJBB7YHF87320
	VHD64B200 6X4, Reg REG-Cab CAB , Grapple Truck GRAPPLE TRUCK, W/HI-RAIL	4V5KC9DG9EN155944
	VHD64B200 6X4, Reg REG-Cab CAB , Grapple Truck GRAPPLE TRUCK, W/HI-RAIL	4V5KC9DG5GN952999
	2021 FREIGHTLINER 1114SD	3ALHG3DV9MDML1069
	2020 FREIGHTLINER 1114SD	1FVHG3DV2LHMC2427
	2020 FREIGHTLINER 1114SD	1FVHG3DVXLHKG6182
FLOAT TRAILERS		
801	LOAD KING	DROP DECK
		TILT AND LOAD WITH RAIL KIT S/N
804	LANDOLL 410B	1ZH410VJ391817421
814	MAGNUM BOOSTER AXLE	S/N 2P9BD16697A015478
822	LOW BOY WITH RAIL KIT.	DROP DECK
	2019 LANDOLL 455B-53	1LH455WJ7K1B26256
ENCLOSED TRAILERS		
812	CARGO MAX	
813	JDJ TRAILER	2J9UTE625M1022234
816	ENCLOSED TRAILER	
818	ENCLOSED TRAILER	56JTE1423JA158486
820	HITCHMAN TRAILER	2G9E35KBXCH019425
821	ENCLOSED TRAILER	5NHULE625AN071193
823	STEALTH ENCLOSED TRAILER	
960	MIRAGE TANDEM TRAILER	
TRUCKS/SUV		
156	FORD F150 SUPERCREW XLT	1FTFW1ET5EFB63393
157	FORD F150 SUPERCREW XLT	1FTFW1ET6EFA33414
158	CHEV 1500 SUPERCREW 4x4	
159	CHEV 1500 SUPERCREW 4x4	2GCUKPEC8EG242948
161	FORD F150 SUPERCREW XLT	

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Asset #	Description	Serial No/VIN/Other
162	CHEV 1500 SUPERCREW 4X4	3GCUKREC1EG128205
174	Ford Edge SEL	2FMPK4J95GBC47595
214	CHEV 2500 SUPERCREW 4X4-	1GC1KVCG8EF18100
215	CHEV 2500 SUPERCREW 4X4-	1GC1KVCG0EF182324
320	FORD F150	1FTFW1CT9CFC14328
322	FORD COF/ Tank	
323	FORD F150 SUPER CAB	1FTEW1CM9DFA25491
324	FORD F150 SUPER CAB	1FTFW1ET0DKD39014
325	FORD F150	1FOXF46F92EB99793
	F750 4X2, CREW-CAB, WELDING TRUCKING, W/HI-RAIL	3FRXW7FGXDV786030
	2015 1500 SUPER CREW (ALLIED) / SILVERADO	1GCVKSEC2FZ223269
	2015 CHEVROLET SILVERADO	3GCUKSECXFG398736
	2016 CHEVROLET SILVERADO CREW CAB	1GC1KUEG2GF106369
	2015 FORD F-250/F-350	1FT8W3B63FEC58789
	2015 FORD F-350 CREWCAB XL	1FT8W3B63FEC59792
	2015 FORD F-350 CREWCAB XL	1FT8W3B62FEC67415
	2015 FORD F-350 CREWCAB XL	1FT8W3B62FEC94386
	2016 FORD F-350 CREWCAB XL	1FT7W2B63FEC19637
	2016 FORD F-350 CREWCAB XL	1FT8W3B63GEC27653
	2016 FORD F-350 CREWCAB XL	1FT8W3B65GEC27654
	2016 FORD F-350 CREWCAB XL	1FT8W3B6XGEC36480
	2016 FORD F-350 CREWCAB XL	1FT8W3B61GEC36481
	2016 FORD F-250 CREWCAB XL	1FT7W2B69GED34602
	2016 FORD F-250 CREWCAB XL	1FT7W2B6XGED43809
	2016 FORD F-250 CREWCAB XL	1FT7W2B66GED43810
	2016 FORD F-250 CREWCAB XL	1FT7W2B68GED43811
	2016 FORD F-250 CREWCAB XL	1FT7W2B6XGED43812
	2016 FORD F-250 CREWCAB XL	1FT7W2B61GED43813
	2016 FORD F-350	1FT8W3B61GED34605
	2017 FORD F-250	1FT7W2B66HED74816
	2017 FORD F-250	1FT7W2B67HED82052
	2017 FORD F-250	1FT7W2B67HED97814
	2017 FORD F-250	1FT7W2B67HEE11517
	2017 FORD F-250	1FT7W2B69HEE11518
	2017 FORD F-250	1FT7W2B69HED97815
	2017 FORD F-250	1FT7W2B61HED97811
	2017 FORD F-250	1FT7W2B60HED97816
	2017 FORD F-350 SUPERDUTY	1FT8W3B64HEE11520
	2017 FORD F-350 SUPERDUTY	1FT8W3B68HEE11519
	2017 FORD F-350 SUPERDUTY	1FT8W3B62HEE39638
	2017 FORD F-350 SUPERDUTY	1FT8W3B64HEE39639
	2019 FORD F-350	1FT8W3B68LED73329
	2019 FORD SRW CREWCAB	1FT7W2B62KED88977
	2019 FORD F-250	1FT7W2B62KEE30371
	2019 FORD F-350	1FT8W3B68KEE30370
	2018 FORD F-350 CREWCAB	1FT7W3BT5JEC00723
	2018 FORD F-250	1FT7X2B64JEB76822
	2014 FORD F-350 CREWCAB	1FT8W3B67EEB71133
	2015 FORD F-350 CREWCAB	1FT8W3B60FEC47955

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Asset #	Description	Serial No/VIN/Other
	2019 FORD F-350	1FT8W3B62KEG81840
	2019 FORD F-350	1FT8W3B65KEG81847
	2019 FORD F-350 SRW	1FT8W3B63KEG81846
	2018 FORD F-350	1FT8W3B61JEC30039
	2020 FORD F-250 SRW	1FT7W2B60LEE14025
	2020 FORD F-250 SRW	1FT7W2B64LEE14027
	2020 FORD F-350 SRW	1FT8W3B69LED81634
	2019 FORD F-250	1FT7W2B6XKEG81882
	2022 FORD F-350 SUPERDUTY	1FT8W3B61NED08891
	2022 FORD F-350 SUPERDUTY	1FT8W3B63NED08892
906	FORD F250	1FT7W2B60CEB62793
905	FORD F350	1FT8W3B69BEB27193
155	FORD F150 SUPERCREW XLT	1FTFWIEF6EF634463
175	FORD F-150	1FTEW1EFXGFC86079
900	FORD F350 XL SUPER DUTY 6IT DEISEL	
VANS		
126	FORD ECO PASSENGER	
128	SAVANA 3500. RETIRED	
129	FORD TRANSAT	1FBAX2CM3FKA25311
130	FORD TRANSAT	1FBAX2CM5FKA23706
OTM TRACKER		
81-24-L	PETERBILT 5500 POWER UNIT	1NPAXBEX85D833104
91-7X-L	JOHN DEERE W/GRAPPLE ATTACHMENTS FOR UNIT MAG	MAG FOR UNIT
815-TR-L	MAJESTIC 3 AXLE TRAIL FOR OTM	
816	CARGO MATE ORBL82OTA2	5NHUBLV23FB453126
BC-03	FAE BRUSH CUTTER/MULCHER	21-3614
SANDER/SALTER	SANDER/SALTER FOR PICK UP BOX	Qty 2
WC-01	WATER CART	
WC-02	WATER CART	
	UTILITY CART (SIGNALS)	
TR01	CUSTOM TRAILER NOT PLATED	N/A
	WASTE OIL TANKS QUANTITY 2	
	SHIPPING CONTAINER MISCELANEOUS TRACK TOOLS	
	BATEMAN RK MAGNET QTY 5	
	QTY 6 PLOWS, GRAPPLER, BOBCAT FORKS, WING PLOW	
80-14	SIDEWINGS	
80-13	TRAIN SNOWPLOW	
	SNOWPLOWS, TRUCK TIRES, SPARE METAL RAIL LINES, BOBCAT FORKS, TRAIN SWEEPERS ATTACHMENTS, JAW MOUNT, TIE CLAMPS, BOBCAT PLOWS, TIE BUNDLES	
81-17C	LIEBHERR-902 EXCAVATOR	
30-21C	Q-C CARTS QTY 2	
SHIPPING CONTAINER	HYDRAULIC CYLINDER, GAS FIRE SUPRESSION MACHINE, 2 TON MOTOR LIFT, FLUID PUMPERS QTY 2, GRINDING STONES 2 SKIDS, TIE PLUGS, BAND STRAPPING QTY 10, HYDRAULIC RAIL SPREADER	
SHED	YELLOW COMPRESSOR (BELONGS TO BUILDING), BLUE	

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<u>Asset #</u>	<u>Description</u>	<u>Serial No/VIN/Other</u>
	COMPRESSOR (ALLIED)	
SHIPPING CONTAINER	GENERATORS QTY 4, POWER PACKS QTY 2, WATER PUMPS QTY 2, BLOWER PACKS QTY 2, HIGH CAPACITY EXTENSION CHORD, GAS DRILL, BOZ CART OPENER QTY 2, HYDRAULIC DRILL QTY 3, RAIL PULLER	
SHIPPING CONTAINER	RAIL GRINDER, PART CLEANER	
SHIPPING CONTAINER	FUEL TANK, SANDER,	
	TIE CARTS QTY 10	
	SHUNT CAR	
	TAMPER	
	FORD L8000 CRANE TRUCK	
	SPIKE PULLER QTY 2	
7801	TAMPER	
64-4J	Plate Jack	
	BEAR SAW	
3211-28	KERSHAW 504-4001	
	JACKSON TAMPER 3300	
	JACKSON TAMPER 143966	
	QTY 2, TOOL BOXES, OWNER DERREN	
	ENVIROMENTAL WASTE OILS	
	WORK BENCH, ALEMITE, OIL CONTAINER QTY 2	
	MISC. OIL	
	HASSCO WHITE 1100 LTR USED OIL TANK	S/N102077
	WORK BENCH, AIR HOSES	
	JET DRILL PRESS	
	METAL SAW CUTTER	
	SMOKE OUT PLYMORENT	
	WORK BENCH, WELDING RODS	
	METABO SANDING MACHINE	
	M7 DRILL	
	POWER FIST PRESS 50 TON	
	HYD-MECH S-20 BAND SAW 80 PANDROL POWER PACK	
	WORK BENCH, MISC. METAL PIPE SUPPLIES	
	THERMITE WELDING KITS	
	RACKING. METAL SUPPLIES	
	WORK TABLE	
	BUGGY, M4 BODY PARTS	
	MANUAL PORTABLE STRAPPING	
	SWITCH POINT GRINDER	
	MISC. ENGINES, LIFTING CHAINS, GEISMAN POWER PACK, PARTS FOR M7, ROCK DEFLECTORS	Lot
	DAKE POWER PRESS	
	ALTERNATOR STARTERS, SPROCKETS, FANS, HYDRAULIC CONTROL VALVES & RELAYS, PUMPS, EXHAUST PARTS, ASSORTED M4 PARTS, ASSORTED CX SPIKER PARTS, GASKETS, HOSES, TRIPPPARTS, REGULATOR PARTS	
	SHOP LUBRICANTS, CONSUMABLES, METRIC BOAT BINS, STANDARD BOAT BINS	

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<u>Asset #</u>	<u>Description</u>	<u>Serial No/VIN/Other</u>
	BLUE CAGE, TOOLS, HOSES, POWER PACK, MISC. SHOP TOOLS	
	JACK STANDS QTY 4, GEAVY DUTY CHAINS FOR CRANE, MISC. SHOP TOOLS	
	HEAVY DUTY TRUCK MAINTENACE PARTS, ASSORTED FUEL FILTERS & AIR FILTERS, REFRIEND TRIPOD, BEAR SAW BLADES, FLORESCENT SPRAY PAINTY QTY. 25 CASES	
81-7C	902A LIEBHERR (SCRAP PARTS)	Equipment Defunct
23-50HI	PANDROL MODEL 100K	12840
	BLACK TRAILER	SCRAP
	TRI-AXLE	
DW-1	Cable Plow Ditch Witch Q125	

SCHEDULE "B"**VIN REGISTERED SETAY ASSETS**

	Make and Model	VIN
1	2019 Chevrolet Silverado	1GCUYBEFXKZ284481
2	2019 Chevrolet Silverado	1GCUYEED2KZ289741
3	2019 Chevrolet Blazer	3GNKBJRS4KS633973
4	2019 Chevrolet Silverado 1500	1GCUYBEFXKZ259516
5	2015 Chevrolet Express Cutaway Van	1GAWGPFF9F1144586
6	2015 Chevrolet Express Cutaway Van	1GAWGPFF9F1146547
7	2019 Chevrolet Silverado	1GCUYGED3KZ397829
8	2020 Chevrolet Silverado	1GCUYEED8LZ111334
9	2020 Chevrolet Silverado	1GCUYGELXLZ198673
10	2019 Chevrolet Equinox	2GNAXVEX0K6280555
11	2021 Chevrolet Silverado	1GCUYBEF9MZ109013
12	2017 Chevrolet Silverado 1500	3GCUKTEC1HG383566
13	2017 GMC Sierra	3GTU2MEC0HG214273
14	2019 GMC Sierra	1GTU9FEL1KZ225846

SHORT TERM LMS UNITS

	<u>Make and Model</u>	<u>VIN</u>
<u>1</u>	<u>2015 Ford F-350 Superduty</u>	<u>1FT8W3B63FEC59789</u>
<u>2</u>	<u>2016 Ford F-350</u>	<u>1FT8W3B61GED34605</u>

PRICEWATERHOUSECOOPERS INC.
(solely in its capacity as Court-appointed receiver and manager of
Bridging Finance Inc. and certain related entities and investment funds)

Applicant

- and - 2806401 ONTARIO INC. o/a
ALLIED TRACK SERVICES INC.

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at Toronto

**ORDER
(Approving Auction Services Agreement,
and Ancillary Matters)**

BLAKE CASSELS & GRAYDON LLP
Barristers and Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto, Ontario M5L 1A9

Chris Burr, LSO #55172H
Tel: 416-863-3261
Email: chris.burr@blakes.com

Lawyers for the Receiver

Document comparison by Workshare Compare on Wednesday, October 26, 2022 3:54:27 PM

Input:	
Document 1 ID	PowerDocs://TOR_2528/24565617/1
Description	TOR_2528-#24565617-v1-KSV_-_Allied_-_Approval_Order_(Auction_Services)
Document 2 ID	PowerDocs://TOR_2528/24565617/3
Description	TOR_2528-#24565617-v3-KSV_-_Allied_-_Approval_Order_(Auction_Services)
Rendering set	Standard

Legend:	
	<u>Insertion</u>
	Deletion
	Moved from
	<u>Moved to</u>
	Style change
	Format change
	Moved deletion
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:

	Count
Insertions	40
Deletions	15
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	55

Appendix “B”



Blake, Cassels & Graydon LLP
 Barristers & Solicitors
 Patent & Trademark Agents
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 Tel: 416-863-2400 Fax: 416-863-2653

Chris Burr

Partner

Dir: 416-863-3261

chris.burr@blakes.com

October 24, 2022

VIA EMAIL

Reference: 00015819/000004

Mark Cofell
 Wheaton Chevrolet Buick Cadillac GMC Ltd.
 2867 Douglas Street
 Victoria, BC V8T 4M7

Mr. Cofell,

Re: Allied Track Services – Unauthorized Repossession of GMC Sierra Denali

As you are aware, we are counsel to KSV Restructuring Inc. (“**KSV**”), in its capacity as receiver and manager (in such capacity, the “**Receiver**”) of 2806401 Ontario Inc. o/a Allied Track Services (“**Allied**”). A copy of the order of Mr. Justice Osborne dated September 23, 2022, appointing the Receiver, which was provided to you by email on Friday, October 21, 2022, is enclosed herewith (the “**Appointment Order**”).

This letter follows our discussion on Friday, October 21, 2022 and my two emails to you on the same date, copies of which are enclosed.

On our Friday call, we discussed that the Receiver has undertaken a review of the lease agreement dated June 10, 2021 between Allied and Wheaton Chevrolet Buick Cadillac GMC Inc. (“**Wheaton**”) and the associated registrations made by Wheaton against Allied under the British Columbia *Personal Property Security Act*, and that on the basis of such review the Receiver has concluded that Wheaton’s deemed security interest in the 2021 GMC Sierra Denali (the “**Leased Truck**”) has priority to Allied’s other secured creditors. We also discussed that the Receiver was not in a position to return the Leased Truck to Wheaton until the Receiver’s motion had been heard by the Ontario Court on Friday, October 28, 2022, including because the Receiver had not yet determined whether Allied’s creditors would object to the Receiver returning the Leased Truck to Wheaton. At your request, I confirmed this discussion in the enclosed email sent at 5:41 (Toronto Time) on Friday, October 21, 2022.

Following our discussion, the Receiver was informed that representatives of Wheaton had contacted representatives of Allied to advise that Wheaton had instructed agents to take possession of the Leased Truck. In response to this, I sent you the enclosed email at 6:14 (Toronto Time), advising that the Receiver objected to Wheaton taking possession of the Leased Truck, and referring you to Paragraphs 9 and 10 of the Appointment Order. This email specifically advised that:

24569359.1



if Wheaton attempts to seize or repossess the Denali, it will be in breach of the attached order and in contempt of Court. If what we have heard is correct, and representatives of Wheaton are on their way to seize the vehicle, I would encourage you to contact them and tell them to stop, immediately. Should you choose to take action in breach of the attached Court order, the Receiver reserves all of its rights against Wheaton.

My email further advised that:

The attached appointment order was made under the authority of the *Bankruptcy and Insolvency Act*, and therefore has Federal application. In other words, it is effective in British Columbia.

We have been advised today by Allied representatives that agents of Wheaton did, in fact, attend at Allied's yard and seize the Leased Truck on Friday, October 21. We understand that an Allied representative spoke to Dave Wheaton on Friday, and was told that if he did not turn the Leased Truck over to Wheaton's agents, Wheaton would have it towed.

Wheaton, the corporation, and Dave Wheaton, personally, have acted in breach of an order of the Ontario Superior Court, and are in contempt of Court. You were specifically advised of the relevant provisions of the Appointment Order, and Wheaton has knowingly and intentionally breached them.

The Receiver will be reporting Wheaton's breach of the Appointment Order to the Court in a forthcoming report to Court, and attaching this letter. The Receiver furthermore reserves all of its rights against Wheaton, including its right to seek damages and costs against Wheaton for its breach, which costs shall include the professional fees incurred by the Receiver and Blakes as a result of Wheaton's disregard for the Appointment Order.

The Receiver considers Wheaton's conduct to be particularly egregious in light of the fact that you were specifically informed that the Leased Truck would be returned to Wheaton following the October 28 hearing if no objections from creditors were raised. Should any such objections be raised, the Receiver will take all steps within its power to recover the Leased Truck, including without limitation seeking an order declaring Wheaton in contempt and directing that the Leased Truck be returned. All of the Receiver's costs associated with such steps shall be the liability of Wheaton.

If Wheaton has not retained counsel on this matter, it should do so.

Regards,



Chris Burr

cc: M. Vininsky, J. Wong, KSV

24569359.1

Thompson, Nancy

From: Burr, Chris
Sent: Friday, October 21, 2022 6:14 PM
To: Mark Cofell
Cc: Mitch Vininsky; jwong@ksvadvisory.com
Subject: RE: Allied Track Services - Buyout Inquiry
Attachments: CV-22-00687383-00CL Allied Track Order Apptg Receiver Sept 23 22.pdf

Importance: High

Hi Mark,

Further to the below, I have just spoken with the Receiver, who understands from Tom at Allied that Wheaton may have instructed agents to pick up the Denali today. As I indicated below, the vehicle is currently in the possession of the Receiver, an officer of the Court, and it is subject to a motion returnable on October 28. Moreover, pursuant to Paragraphs 9 and 10 the attached Order of Justice Osborne, all creditors of Allied are stayed from exercising remedies against Allied or "the Property" (as defined in the Order) without the consent of the Receiver. The attached appointment order was made under the authority of the *Bankruptcy and Insolvency Act*, and therefore has Federal application. In other words, it is effective in British Columbia.

Whether or not Wheaton owns the vehicle, by operation of the *Personal Property Security Act*, Allied's creditors have an interest in it. We have reported to the Court that Wheaton's deemed security interest has priority, however that is not a license to exercise self-help remedies and seize the truck.

Accordingly, if Wheaton attempts to seize or repossess the Denali, it will be in breach of the attached order and in contempt of Court. If what we have heard is correct, and representatives of Wheaton are on their way to seize the vehicle, I would encourage you to contact them and tell them to stop, immediately. Should you choose to take action in breach of the attached Court order, the Receiver reserves all of its rights against Wheaton.

I hope that after our conversation this afternoon, what we are hearing about potential repossession is simply a miscommunication, and that Wheaton is not attempting to seize the vehicle. We hope to work together with you until the motion on the 28th of October, as indicated in my emails below. If Wheaton proceeds to repossess the vehicle, the opportunity to work together will be gone.

Thank you,

Chris.

Chris Burr
 Partner
chris.burr@blakes.com
 T. +1-416-863-3261
 C. +1-647-201-3789

From: Burr, Chris
Sent: Friday, October 21, 2022 5:41 PM
To: Mark Cofell <wheaton.markc@gmail.com>
Cc: Mitch Vininsky <mvininsky@ksvadvisory.com>; jwong@ksvadvisory.com
Subject: RE: Allied Track Services - Buyout Inquiry

Hi Mark,

Thank you for the call this afternoon. As we discussed, until the Receiver's outstanding motion is heard on October 28, the Receiver will need to remain in possession of all leased equipment, including the Denali. We have advised the Court that based on our analysis, Wheaton has priority to the vehicle and we have proposed to return the vehicle to you.

However, it is possible that creditors will object to that proposal, and so until the matter is heard on October 28, we need to stay in possession. In the mean time, if you or someone on your team would like to inspect the vehicle, we would be happy to facilitate that. As I set out below, we would also be open to a buy-out of the lease, if there is a number that would be mutually agreeable. We can discuss that over the course of next week, or after the 28th.

Let me know if you have any questions or follow ups. If we can facilitate an inspection, please let me know.

Thanks,
Chris.

Chris Burr
Partner
chris.burr@blakes.com
T. +1-416-863-3261
C. +1-647-201-3789

From: Mark Cofell <wheaton.markc@gmail.com>
Sent: Thursday, October 20, 2022 7:54 PM
To: Burr, Chris <chris.burr@blakes.com>
Cc: Mitch Vininsky <mvininsky@ksvadvisory.com>; jwong@ksvadvisory.com
Subject: Re: Allied Track Services - Buyout Inquiry

External Email | Courrier électronique externe

Thanks Chris.

I had a quick chat with accounting and we are now two payments behind so we should make arrangements to have the vehicle brought in while we discuss a resolution.

I am in the office tomorrow until 6 and out of the office until Tuesday but the management team can receive and inspect the vehicle.

Mark

On Thu, Oct 20, 2022 at 4:49 PM Burr, Chris <chris.burr@blakes.com> wrote:

Thanks Mark,

Jordan, copied, can assist with coordinating any inspections, if necessary. Most of the Allied personnel have left.

Best,
Chris.

Chris Burr
Partner
chris.burr@blakes.com
T. +1-416-863-3261
C. +1-647-201-3789

From: Mark Cofell <wheaton.markc@gmail.com>
Sent: Thursday, October 20, 2022 7:39 PM
To: Burr, Chris <chris.burr@blakes.com>
Cc: Mitch Vininsky <mvininsky@ksvadvisory.com>; jwong@ksvadvisory.com
Subject: Re: Allied Track Services - Buyout Inquiry

External Email | Courrier électronique externe

Good Day Chris,

I will check in with accounting and management on the possibilities and get back to you. I will need to reach out to Tom McIntosh so we can view the truck and get the current mileage for an assessment.

Thanks

Mark

On Thu, Oct 20, 2022 at 3:55 PM Burr, Chris <chris.burr@blakes.com> wrote:

Hi Mark,

Further to the below and attached, we are counsel to the Court-Appointed Receiver of 2806401 Ontario Inc. o/a Allied Track Services. As detailed in the attached report, Allied leased a 2021 GMC Sierra Denali (VIN 1GTU9FED2MZ312862) from Wheaton pursuant to a lease agreement dated June 10, 2021. We have determined that Wheaton is properly registered against the truck, and has first priority secured status.

The Receiver may be open to buying out the lease on the truck, if that is something that Wheaton would entertain. If a buyout is not possible at an agreeable amount, the Receiver has proposed in the attached Report that it will return the truck to Wheaton. Other creditors could object to the truck being returned, but the Receiver's recommendation is that it be bought-out, or returned.

If Wheaton would be interested in a buyout, please let me know the amount that would be acceptable. Once we have your number (if any), the Receiver will consider it and get back to you.

Please let me know if you have any questions, require any further information, or would like to discuss.

Thank you,

Chris.

Chris Burr

Partner

chris.burr@blakes.com

T. +1-416-863-3261

C. +1-647-201-3789

Blake, Cassels & Graydon LLP
 199 Bay Street, Suite 4000, Toronto ON M5L 1A9 ([Map](#))
blakes.com | [LinkedIn](#)

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From: Thompson, Nancy <nancy.thompson@blakes.com>
Sent: Thursday, October 20, 2022 5:40 PM
To: gmoftat@tgf.ca; adriedger@tgf.ca; ngoldstein@ksvadvisory.com; mvininsky@ksvadvisory.com; jwong@ksvadvisory.com; Burr, Chris <chris.burr@blakes.com>; McIntyre, Caitlin <caitlin.mcintyre@blakes.com>; Parente, Alexia <alexia.parente@blakes.com>; andy.jones@alliedtrack.ca; michael.mctaggart@pwc.com; graham.page@pwc.com; tyler.ray@pwc.com; kjackson@fasken.com; diane.winters@justice.gc.ca; pat.confalone@justice.gc.ca; steven.groeneveld@ontario.ca; insolvency.unit@ontario.ca; osbservice-bsfservice@ised-isde.gc.ca; evanh@queenstonautogroup.com; amallory@valiantfinancial.ca; dyiokaris@kmlaw.ca; dresnick@kmlaw.ca; jbirch@cassels.com; client.service@meridianonecap.ca; absecparties@avssystems.ca; ashraf.delwar@bmo.com; nabc.customerservice@cat.com; jgaona@vaultcredit.ca; wheaton.markc@gmail.com; admin@quipfinance.com; epoersch@falconequip.com; mwyche@danella.com; sc@lmsrail.com; dnopper@queenstonchev.com; jennifer.tonne@calmont.ca; ccummings@stradley.com; eleblanc@sicotte.ca
Subject: RE: In the Matter of the Receivership of 2806401 Ontario Inc. o/a Allied Track Services Inc. - Motion Record

Service List

Further to my message below, please find attached the Motion Record of the Receiver in the above-noted matter, seeking approval of an auction services agreement, among other relief, which is served on you pursuant to the Ontario *Rules of Civil Procedure* and the E-Service Guide of the Commercial List.

The motion is returnable on **Friday, October 28, 2022 at 10:00 a.m.** The Zoom coordinates for this hearing will be provided by the Court office closer to the hearing date. If you wish to attend, please inform Nancy Thompson, at nancy.thompson@blakes.com.

Yours truly,

Nancy Thompson (she, her, hers)
Law Clerk
nancy.thompson@blakes.com
T. +1-416-863-2437

From: Thompson, Nancy
Sent: Wednesday, October 19, 2022 5:10 PM
To: gmoftat@tgf.ca; adriedger@tgf.ca; ngoldstein@ksvadvisory.com; mvininsky@ksvadvisory.com; jwong@ksvadvisory.com; Burr, Chris <CHRIS.BURR@blakes.com>; McIntyre, Caitlin <CAITLIN.MCINTYRE@blakes.com>; Parente, Alexia <alexia.parente@blakes.com>; andy.jones@alliedtrack.ca; michael.mctaggart@pwc.com; graham.page@pwc.com; tyler.ray@pwc.com; kjackson@fasken.com; diane.winters@justice.gc.ca; pat.confalone@justice.gc.ca; steven.groeneveld@ontario.ca; insolvency.unit@ontario.ca; osbservice-bsfservice@ised-isde.gc.ca; evanh@queenstonautogroup.com; amallory@valiantfinancial.ca; dyiokaris@kmlaw.ca; dresnick@kmlaw.ca; jbirch@cassels.com; client.service@meridianonecap.ca; absecparties@avssystems.ca; ashraf.delwar@bmo.com; nabc.customerservice@cat.com; jgaona@vaultcredit.ca; wheaton.markc@gmail.com; admin@quipfinance.com; epoersch@falconequip.com; mwyche@danella.com; sc@lmsrail.com; dnopper@queenstonchev.com; jennifer.tonne@calmont.ca; ccummings@stradley.com; eleblanc@sicotte.ca
Subject: In the Matter of the Receivership of 2806401 Ontario Inc. o/a Allied Track Services Inc.

Service List

Please find attached the Notice of Motion of the Receiver in the above-noted matter, seeking approval of an auction services agreement, among other relief, which is served on you pursuant to the Ontario *Rules of Civil Procedure* and the E-Service Guide of the Commercial List. The Motion Record, including the First Report of the Receiver will follow tomorrow.

The motion is returnable on **Friday, October 28, 2022 at 10:00 a.m.** The Zoom coordinates for this hearing will be provided by the Court office closer to the hearing date. If you wish to attend, please inform Nancy Thompson, at nancy.thompson@blakes.com.

Yours truly,

Nancy Thompson (she, her, hers)
Law Clerk
nancy.thompson@blakes.com
T. +1-416-863-2437

--

Mark Cofell

Financial Services Manager

Wheaton Chevrolet Buick Cadillac GMC Ltd.

(250) 382-7121

NEW HOURS

Available Tues - Sat 9-6 by appointment.

Submitting a Credit Application? Click [here](#).

All vehicle quotes are subject to change and institution approval. Availability and discounting may vary.

--

Mark Cofell

Financial Services Manager

Wheaton Chevrolet Buick Cadillac GMC Ltd.

(250) 382-7121

NEW HOURS

Available Tues - Sat 9-6 by appointment.

Submitting a Credit Application? Click [here](#).

All vehicle quotes are subject to change and institution approval. Availability and discounting may vary.

Appendix “C”

2806401 Ontario Inc. o/a Allied Track Services

Updated Summary of LMS Rail Services Leased Equipment

	Collateral	VIN	Party Registered against LMS Rail Services Inc. and VIN	Date of Reg. on VIN	Date of "Schedule B", if provided	LMS reg. against VIN?	Comments from LMS
1	2015 Ford F-250/F-350	1FT8W3B63FEC59789	Clear	N/A	27/5/22	Y	Schedule term of less than one year
2	2015 Ford F-350 Crewcab XL	1FT8W3B63FEC59792	Formerly Vic Lanoix Holdings Limited	<i>Discharged</i>	28/2/20	Y	Vic Lanoix paid in full
3	2015 Ford F-350 Crewcab XL	1FT8W3B62FEC67415			28/2/20	Y	Vic Lanoix paid in full
4	2015 Ford F-350 Crewcab XL	1FT8W3B62FEC94386			28/2/20	Y	Vic Lanoix paid in full
5	2016 Ford F-350 Crewcab XL	1FT7W2B63FEC19637	Formerly Vic Lanoix Holdings Limited	<i>Discharged</i>	28/2/20	Y	Vic Lanoix paid in full
6	2016 Ford F-350 Crewcab XL	1FT8W3B63GEC27653	Formerly Vic Lanoix Holdings Limited	<i>Discharged</i>	N/A	Y	Vic Lanoix paid in full
7	2016 Ford F-350 Crewcab XL	1FT8W3B65GEC27654			N/A	Y	Vic Lanoix paid in full
8	2016 Ford F-350 Crewcab XL	1FT8W3B6XGEC36480			N/A	Y	Vic Lanoix paid in full
9	2016 Ford F-350 Crewcab XL	1FT8W3B61GEC36481			N/A	Y	Vic Lanoix paid in full
10	2016 Ford F-250 Crewcab XL	1FT7W2B69GED34602			N/A	Y	Vic Lanoix paid in full
11	2016 Ford F-250 Crewcab XL	1FT7W2B6XGED43809			N/A	Y	Vic Lanoix paid in full
12	2016 Ford F-250 Crewcab XL	1FT7W2B66GED43810			N/A	Y	Vic Lanoix paid in full
13	2016 Ford F-250 Crewcab XL	1FT7W2B68GED43811			N/A	Y	Vic Lanoix paid in full
14	2016 Ford F-250 Crewcab XL	1FT7W2B6XGED43812	N/A	Y	Vic Lanoix paid in full		

	Collateral	VIN	Party Registered against LMS Rail Services Inc. and VIN	Date of Reg. on VIN	Date of "Schedule B", if provided	LMS reg. against VIN?	Comments from LMS
15	2016 Ford F-250 Crewcab XL	1FT7W2B61GED43813			N/A	Y	Vic Lanoix paid in full
16	2016 Ford F-350	1FT8W3B61GED34605			27/5/22	Y	Vic Lanoix paid in full Schedule term of less than one year
17	2017 Ford F-250	1FT7W2B66HED74816	Formerly HSBC Bank Canada	<i>Discharged</i>	N/A	Y	HSBC paid in full
18	2017 Ford F-250	1FT7W2B67HED82052	Formerly HSBC Bank Canada	<i>Discharged</i>	N/A	Y	HSBC paid in full
19	2017 Ford F-250	1FT7W2B67HED97814	Formerly HSBC Bank Canada	<i>Discharged</i>	N/A	Y	HSBC paid in full
20	2017 Ford F-250	1FT7W2B67HEE11517	Formerly HSBC Bank Canada	<i>Discharged</i>	N/A	Y	HSBC paid in full
21	2017 Ford F-250	1FT7W2B69HEE11518	Clear	N/A	N/A	Y	
22	2017 Ford F-250	1FT7W2B69HED97815	Clear	N/A	N/A	Y	
23	2017 Ford F-250	1FT7W2B61HED97811	Clear	N/A	N/A	Y	
24	2017 Ford F-250	1FT7W2B60HED97816	Clear	N/A	N/A	Y	
25	2017 Ford F-350 Superduty	1FT8W3B64HEE11520	Meridian Onecap Credit Corp.	3/4/18	N/A	Y	Meridian paid in full; reg should be removed
26	2017 Ford F-350 Superduty	1FT8W3B68HEE11519	Meridian Onecap Credit Corp.	3/4/18	N/A	Y	Meridian paid in full; reg should be removed
27	2017 Ford F-350 Superduty	1FT8W3B62HEE39638	Meridian Onecap Credit Corp.	3/4/18	N/A	Y	Meridian paid in full; reg should be removed

	Collateral	VIN	Party Registered against LMS Rail Services Inc. and VIN	Date of Reg. on VIN	Date of "Schedule B", if provided	LMS reg. against VIN?	Comments from LMS
28	2017 Ford F-350 Superduty	1FT8W3B64HEE39639	Meridian Onecap Credit Corp.	3/4/18	N/A	Y	Meridian paid in full; reg should be removed
29	2019 Ford F-350	1FT8W3B68LED73329	HSBC Bank Canada	10/8/21	21/4/22	Y	
30	2019 Ford SRW Crewcab	1FT7W2B62KED88977	HSBC Bank Canada	23/4/19	N/A	Y	
31	2019 Ford F-250	1FT7W2B62KEE30371	Caisse Populaire Alliance Limitee	8/5/20	27/5/19	Y	
32	2019 Ford F-350	1FT8W3B68KEE30370	Caisse Populaire Alliance Limitee	8/5/20	27/5/19	Y	
33	2018 Ford F-350 Crewcab	1FT7W3BT5JEC00723	HSBC Bank Canada	21/6/19	N/A	Y	
34	2018 Ford F-250	1FT7X2B64JEB76822	Caisse Populaire Alliance Limitee	8/5/20	4/5/21	Y	
35	2014 Ford F-350 Crewcab	1FT8W3B67EEB71133	Formerly Vic Lanoix Holdings Limited	<i>Discharged</i>	3/2/20	Y	Vic Lanoix paid in full
36	2015 Ford F-350 Crewcab	1FT8W3B60FEC47955			3/2/20	Y	Vic Lanoix paid in full
37	2019 Ford F-350	1FT8W3B62KEG81840	Meridian Onecap Credit Corp.	27/5/20	N/A	Y	
38	2019 Ford F-350	1FT8W3B65KEG81847	HSBC Bank Canada	8/9/20	21/4/22	Y	
39	2019 Ford F-350 SRW	1FT8W3B63KEG81846			N/A	Y	
40	2018 Ford F-350	1FT8W3B61JEC30039	HSBC Bank Canada	11/8/20	4/5/21	Y	
41	2020 Ford F-250 SRW	1FT7W2B60LEE14025	Meridian Onecap Credit Corp.	12/11/20	23/2/22	Y	

	Collateral	VIN	Party Registered against LMS Rail Services Inc. and VIN	Date of Reg. on VIN	Date of "Schedule B", if provided	LMS reg. against VIN?	Comments from LMS
42	2020 Ford F-250 SRW	1FT7W2B64LEE14027	Meridian Onecap Credit Corp.	12/11/20	23/2/22	Y	
43	2020 Ford F-350 SRW	1FT8W3B69LED81634	Meridian Onecap Credit Corp.	12/11/20	4/5/21	Y	
44	2019 Ford F-250	1FT7W2B6XKEG81882	Formerly Vic Lanoix Holdings Limited	<i>Discharged</i>	4/5/21	Y	Vic Lanoix paid in full
45	2022 Ford F-350 Superduty	1FT8W3B61NED08891	HSBC Bank Canada	30/3/22	29/3/22	Y	
46	2022 Ford F-350 Superduty	1FT8W3B63NED08892	HSBC Bank Canada	30/3/22	29/3/22	Y	

Appendix “D”

EQUIPMENT MASTER LEASE AGREEMENT

This equipment lease agreement (the "Lease") made and effective on this 22nd day of March, 2021(the "Effective Date").

Between:

LMS Rail Services Limited
Trading as LMS Rail Equipment Services
1304 Front St, P.O. Box 607
Hearst, Ont.
P0L 1N0

("Lessor")

And

2806401 Ontario Inc.
Allied Track Services Corp.
169A South Service Road
Grimsby, Ont.
L3M 4H6

("Lessee")

TERMS AND CONDITIONS

1. EQUIPMENT

The Lessee agrees to lease from the Lessor the equipment listed on the "Equipment Lease Agreement" set forth in Schedule "A" (herein after referred to as "the Agreement") together with any accessories incorporated therein and/or affixed thereto, hereinafter collectively called the Equipment.

2. TERM

This Lease shall be effective for a period of 60 months from the Effective Date (the "Term"). It is understood and agreed by the parties hereto that the lease period of each piece of equipment, if any, is set forth on the agreement.

3. TERMINATION

Should either party breach any of its obligations under this Lease, the other party may terminate the Lease (including any Agreement) effective fifteen (15) business days following notice from the non-defaulting party if the non-performance has not been cured within such period and without prejudice to damages that could be claimed by the non-defaulting party. Either party may terminate the Lease if the other party becomes unable to pay its debts in the ordinary course of business; goes into liquidation (other than for the purpose of a genuine amalgamation or restructuring); has a receiver appointed over all or part of its assets; enters into a composition or voluntary arrangement with its creditors; or any similar event occurs in any jurisdiction, all to the extent permitted by law.

Lessee may also terminate the Lease for convenience within thirty (30) business days subject to its obligation to make payment for the rental up to the date of termination.

4. RENTAL

The Lessee agrees to pay the rent for the term of the Agreement in consecutive payments in the amounts shown on page one of Schedule "A" – Equipment Lease Agreement. Rental shall be payable to the Lessor commencing on the date of delivery unless agreed to otherwise in writing. Notwithstanding the expiration of the Term, the Lessee will continue to be responsible for the rental for the rental payments until the Equipment is returned to the Lessor. Rental payments under the terms and conditions of this Lease are due on the first day of each month. If payment is not received at the Lessor's office within fourteen (14) days of being due, it shall constitute an event or default, and the Lessor may remove the equipment from the Lessee's property.

5. WARRANTY

The Lessee has selected the Equipment of the type and quantity described on the agreement. The Lessor makes no warranty to the Lessee and expressly disclaims any warranty either express or implied, regarding the Equipment except that the Equipment shall be in good condition and working order at the time of delivery.

6. LESSEE'S INSPECTION AND ACCEPTANCE

The Lessee shall inspect the Equipment upon its arrival and shall within forty-eight (48) hours thereafter (Saturdays, Sundays and holidays excepted) give the Lessor telephone notice of any Equipment defects. Upon receipt of such notice, the Lessor shall, at its option, either repair or replace any defective Equipment.

7. MAJOR REPAIRS

Lessor shall be responsible to complete and pay for all major repairs resulting from major components failure (such as engine or transmission) ("Major Repairs"), unless such failure is the result of Lessee's neglect or lack of maintenance. In the event that Lessee is obligated to complete any Major Repairs in the case of an emergency, or to ensure continued use of the Equipment, Lessor shall reimburse Lessee for all reasonable and actual costs incurred by Lessee for such repairs.

Prior written consent is required from Lessor before repairs are initiated, such consent not to be unreasonably withheld.

8. TRANSPORTATION

The Lessee shall choose the method of, and pay for, the shipment of the Equipment from the point of origin; however, arrangements for shipment shall be provided by the Lessor. The Lessee shall arrange for and pay the cost of unloading the Equipment upon arrival.

The Lessee shall arrange and pay the cost of loading, securing and shipping the Equipment to the point of return.

9. INSTALLATION, USE, MAINTENANCE AND REPAIR

The Lessor shall not have any obligation to install, erect, test, adjust, or service the Equipment throughout the Term of this lease.

The Lessee, at its own cost and expense, shall:

- a) Pay all charges in connection with the unloading and loading, installation, operation and storage of the Equipment.
- b) Make regular preventative maintenance inspection of the Equipment and shall service, repair and maintain (subject to Section 7 hereof) the Equipment in good operating condition and in compliance with the laws of the province or provinces in which the Equipment is located, and with any applicable provincial or federal regulations.
- c) furnish the tires, tracks, tubes, motor oils, fuel, lubricants, and other operating parts, all expendable items such as, but not limited to, wipers and bulbs; together with all supplies necessary for the proper and efficient operation of the Equipment.
- d) Use and operate the Equipment only in the normal and ordinary course of the Lessee's business.
- e) Cause the Equipment to be operated only by a safe, carefully selected, properly trained and legally licensed operator, who shall be an employee or agent of the Lessee and subject to the Lessee's exclusive direction and control. No persons other than the Lessee's agents or employees engaged in their regular duties shall be carried in or on the Equipment and at no time will any person be carried in or on the Equipment while the Equipment is being pulled by any other vehicle.
- f) Comply with all applicable laws, ordinances, regulations, requirements, and rules with respect to the use, maintenance, and operation of the Equipment.
- g) Take good and proper care of the Equipment and make all repairs and replacements (subject to Section 7 hereof) necessary to maintain, preserve, and keep the Equipment in good condition and working order. (The Lessee shall not, however, make any alterations, additions or improvements to the Equipment without the prior written consent of the Lessor.) All repairs, replacements, parts, devices, accessories, and improvements of whatsoever kind of nature furnished or affixed to the Equipment shall belong to and become part of the property of the Lessor.

10. INSURANCE AND INDEMNITY

The Lessee assumes the entire risk of loss, theft, or damage to the Equipment, and no such loss, theft, or damage shall relieve the Lessee of its obligations under this Lease Agreement. The Lessee agrees to and does hereby indemnify from, and against all claims, costs, expenses, damages, and liabilities, including reasonable attorney's fees, resulting from or incidental to the use, operation, or storage of the Equipment during the Term from third parties claims. The Lessee agrees to carry public liability and property damage insurance for Equipment listed in attached "Schedule A – Equipment Lease Agreement" in such amounts as set forth in Section 25 below.

Neither party will be liable to the other party for consequential, indirect or punitive damages for any cause of action, whether in contract, tort or otherwise. Consequential damages include, but are not limited to, lost profits, lost revenues and lost business opportunities, whether the other party was or should have been aware of the possibility of these damages, including any damages arising from loss of use or delay or disruption services.

11. LOSS, THEFT, OR DAMAGE

In the event of loss, theft, or damage to the Equipment in whole or in part, the Lessee shall promptly so notify the Lessor and the Lessee, at the Lessee's option shall:

- a) place the Equipment in good condition and working order, or
- b) if the Lessee determines that any Equipment is beyond repair, pay to the Lessor, within ten (10) days such notification, the loss value thereof which shall be an amount equal to the sum of:
 - i) All rents and other amount due and owing under the Lease and Agreement at the time of such loss, theft, or damage, plus;
 - ii) The fair market value of the Equipment as shown on page one of Schedule "A" – Equipment Lease Agreement can be revised at the time of total loss to an amount agreed to by both parties. A third party chosen by both Lessor and Lessee can establish a binding fair market value. Upon such payment, the Lease shall terminate with respect to the item of Equipment so paid for and the Lessee shall thereupon become the owner thereof.

12. OWNERSHIP AND CONTROL

The Equipment shall all times remain the property of the Lessor and the Lessee shall have no right or property interest therein, but only the right to use same under the lease.

The Lessor shall have the right to display notice of its ownership by affixing to the Equipment an identifying plate, stencil, or other indicia of ownership. The Lessee shall not part with possession of control of the Equipment without the prior written consent of the Lessor. The Lessor shall have the right to inspect the Equipment during the Lessee's normal business hours.

13. ADDITIONAL RENT

When Lessor is obligated to pay fines, tickets or levies resulting from use of the Equipment by Lessee, the Lessor will add these charges to the following month's rental charges.

14. LATE CHARGES

If the Lessee fails to pay the rental or any other charges within forty (40) days from the invoice date, then the Lessor may impose a late charge on the unpaid balance at the rate of one and one half percent (1½%) per month or the maximum rate provided by law, whichever is less.

15. ENCUMBRANCES

The Lessee shall keep the Equipment free and clear of all levies, liens, claims, and encumbrances.

16. RETURN OF EQUIPMENT

Upon the termination of this Lease, whether by expiration of the Term or otherwise, the Lessee, at its own expense, will return the Equipment to the Lessor at the Point of Return or to other such party of place as the Lessor may designate in writing; provided however, that the shipping costs to the Lessee shall not exceed the cost to the Point of Return. If the Lessee fails or refuses to so return and deliver the Equipment, the Lessor shall have the right, without notice of demand, to enter the premises where the Equipment may be found, forcibly if necessary and take possession of and remove the Equipment without legal process. Upon return, as aforesaid, the Equipment will be in the same condition as when delivered to the Lessee, normal wear and tear excepted, and in good condition and working order.

17. ASSIGNMENT

The Lessee shall not assign, transfer, pledge, hypothecate, or otherwise dispose of this lease or any interest herein or subject or lend the Equipment or permit it to be used by anyone other than the Lessee and Lessee's employees, without prior written consent.

18. DEFAULT

Any of the following events or conditions shall constitute a default of a party under this Lease:

- a) default in the payment of rent or any other sums due hereunder for a period of fourteen (14) days after the same become due;
- b) any other breach of terms and conditions of this Lease;
- c) if any writ or order of attachment, execution, or other legal process against a party is levied on any or all Equipment and is not released or satisfied with ten (10) days;
- d) the institution of a proceeding in bankruptcy, receivership, or insolvency against or by a party or if a party shall enter into an arrangement with its creditors;

19. REMEDIES

The non-defaulting party may terminate the Lease effective ten (10) business days following notice from the non-defaulting party if the non-performance has not been cured within such period and without prejudice to damages that could be claimed by the non-defaulting party. Either Party may terminate the Lease immediately if the other party becomes unable to pay its debts in the ordinary course of business; goes into liquidation (other than for the purpose of a genuine amalgamation or restructuring); has a receiver appointed over all or part of its assets; enters into a composition or voluntary arrangement with its creditors; or any similar event occurs in any jurisdiction, all to the extent permitted by law.

20. NOTICE AND WAIVERS

All notices relating hereto shall be delivered in person to an officer of the Lessor or Lessee or shall be mailed certified or registered to the Lessor or the Lessee at their respective addresses shown or at any other address hereinafter furnished by the notice given in like manner. A waiver of a specific default shall not be a waiver of any other subsequent default. No waiver by the Lessor of any provisions hereof shall constitute a waiver of any other matter and all waivers shall be in writing and executed by an officer of the Lessor. No failure on the part of the Lessor to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof.

21. ENTIRE AGREEMENT

This instrument constitutes the entire Agreement between the parties and may not be modified except by a written instrument signed by the Lessor and the Lessee. The lease shall not constitute a contract until accepted in writing by an authorized representative of the Lessor.

22. ADDITIONAL DOCUMENTS

At the request of a party, the other party shall execute and deliver to such party any documents as such party shall deem necessary or desirable for the purpose of recording or filing.

23. MISCELLANEOUS

Any provision of this instrument prohibited by the law in any province shall, as to such province, be ineffective to the extent to such prohibition without invalidating the remaining provisions of this instrument. The Lessee represents that the Equipment is being leased for business purposes and agrees that under no circumstances shall this lease be deemed or construed as a consumer contract or a conditional sales agreement.

24. LAWS OF ONTARIO CONTROL THIS LEASE AGREEMENT

The Lessor and Lessee both stipulate and agree that in the event of any dispute involving this Lease Agreement, the Lessor and the Lessee may file suit in the courts, whether federal or provincial, located in the Province of Ontario. The lease shall be governed by and construed in accordance with the laws of the Province of Ontario. Further, in the event of any dispute pursuant to this Lease Agreement, the prevailing party shall be awarded all court costs including reasonable attorney fees.

25. INSURANCE COVERAGE

Pursuant to paragraph (10) hereof, the Lessee shall carry public liability and property damage insurance in the amount of \$2,000,000 CDN combined single limit per occurrence and aggregate. "Schedule A – Equipment Lease Agreement" lists the equipment included in this Lease.

The undersigned affirm being duly authorized to bind the company.

LESSOR: LMS Rail Equipment Services

LESSEE: Allied Track Services Corp.

Signature: 

Signature: 

Name: Sylvain Couture

Name: Darren Howes

Title: Manager

Title: General Manager of Equipment

Date: March 22nd 2021

Date: March 22nd 2021

Appendix “E”



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R54 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B63FEC59792 Year: 2015 License Plate: AK 18656

Other: SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 25-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: 5470 hrs

Hour Meter Reading: _____

Odometer Reading: 152435 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 25-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: Darren Howes

Title: G.M. EQUIPMENT

Date: FEB 28, 2020



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R55 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B62FEC67415 Year: 2015 License Plate: AK 18675

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 25-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: 7067 hrs

Hour Meter Reading: _____

Odometer Reading: 168326 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 25-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: DARREN HOWES

Title: GM EQUIPMENT

Date: FEB 28, 2020



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R57 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B62FEC94386 Year: 2015 License Plate: AK 43699

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 25-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: 8415 hrs

Hour Meter Reading: _____

Odometer Reading: 181492 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 25-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: LMS EQUIPMENT

Date: Feb, 28, 2020



1304 Front Street
 P.O. Box 607
 Hearst, On
 POL 1N0
 705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R74 Make: FORD Model: F250 CREWCAB XL 4X4

Serial No.: 1FT7W2B63FEC19637 Year: 2015 License Plate: AN 44360

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 25-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: 5836 hrs

Hour Meter Reading: _____

Odometer Reading: 167773 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 25-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: Darren Howes

Title: L.M. EQUIPMENT

Date: FEB 28 2020



1304 Front Street
 P.O. Box 607
 Hearst, On
 POL 1N0
 705-372-5103

SCHEDULE B: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

LESSEE

Name: ALLIES TRACK SERVICES INC
 Address: 169A SOUTH SERVICE ROAD
 City/ Prov.: GRIMSBY, ONTARIO
 Postal: L3M 4H6
 Tele: 905-769-1317 Fax: _____
 Contact: DARREN HOWES
 Extension/Cell: 249-878-0132
 Customer PO: _____

Point of Origin

Hearst

Other: _____

EQUIPMENT DESCRIPTION

Unit #: R87 Make: FORD Model: F350 CREWCAB
 Serial No.: 1FT8W3B61GED34605 Year: 2016 License Plate: AR 10328
 Equipment: EQUIPPED WITH FUEL TANK KIT # FT-11, no FM radio

RATES & COSTS

Date of Delivery: JUNE 1 2022 Expected Date of Return: DEC. 31-2022
 Delivery Destination: North Bay Actual Date of Return: _____
 Hour Meter Reading: 73445_HRS Hour Meter Reading: _____
 Odometer Reading: 176868 KM Odometer Reading: _____
 Freight: TBD Freight: _____

There is no minimum rental period.
 Extra kilometer charges of 15¢ /km will apply over 125 km per day, 875 km per week and 4000km per month.

To calculate partial charges, in excess of term: Daily Weekly Monthly

RATE: R87:	Daily Cost: \$125.00	Weekly Cost: \$750.00	Monthly Cost: \$2300.00
RATE: FT-11:	Daily Cost: \$10.00	Weekly Cost: \$60.00	Monthly Cost: \$200.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: [Signature]
 Name: SYLVAIN COUTURE
 Title: MANAGER
 Date: MAY 26-2022

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]
 Name: Darren Howes
 Title: GM Equipment
 Date: May 27 2022



1304 Front Street
 P.O. Box 607
 Hearst, On
 POL 1N0
 705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Tom McIntosh

Extension/Cell: EXT: 110 CELL: 250-572-0202

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R134 Make: FORD Model: F250 CREWCAB XLT 4X4

Serial No.: 1FT7W2B62KEE30371 Year: 2019 License Plate: AY 61724

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH LEER TRUCK CAP AND SPARE TIRE

Date of Delivery: MAY 27-19

Scheduled Date of Return: Dec. 31-19

Hour Meter Reading: 1 HR

Hour Meter Reading: _____

Odometer Reading: 35 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: May 26-19

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: MIKE FIRMIN

Title: GENERAL MANAGER

Date: MAY 27, 2019



1304 Front Street
 P.O. Box 607
 Hearst, On
 POL 1N0
 705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Tom McIntosh

Extension/Cell: EXT: 110 CELL: 250-572-0202

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R135 Make: FORD Model: F350 CREWCAB XLT 4X4

Serial No.: 1FT8W3B68KEE30370 Year: 2019 License Plate: AY 61718

Other: SUPPLIED WITH RAFNÁ R290 RAILGEAR, NO FM RADIO, WITH LEER TRUCK CAP AND SPARE TIRE

Date of Delivery: June 1-19

Scheduled Date of Return: Dec. 31-19

Hour Meter Reading: 1 HR

Hour Meter Reading: _____

Odometer Reading: 35 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: May 27-19

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: MIKE FIRMIN

Title: GENERAL MANAGER

Date: MAY 27, 2019



1304 Front Street
 P.O. Box 607
 Hearst, On
 P0L 1N0
 705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: _____ Fax: _____

Contact: DARREN HOWES

Extension/Cell: EXT: 110 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R152 Make: FORD Model: F250 SUPERCAB XL 4X4 SERVICE TRUCK

Serial No.: 1FT7X2B64JEB76822 Year: 2018 License Plate: BK95206

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, SERVICE BODY, INVERTER, NO RADIO_

Date of Delivery: MAY 3-21

Scheduled Date of Return: Dec. 31-21

Hour Meter Reading: 1861 HR

Hour Meter Reading: _____

Odometer Reading: 60473 KM

Odometer Reading: _____

This is a short term lease, but could be transferred to a long term lease..

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 3000.00/MTH

Daily Cost: \$ 150.00 Weekly Cost: \$ 950.00 Monthly Cost: \$ 3000.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MAY 3-21

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature: Darren Howes]

Name: DARREN HOWES

Title: EQUIPMENT MANAGER

Date: May,04 2021



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

O

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R154 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B67EEB71133 Year: 2015 License Plate: BC 20427

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 1-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: _____

Hour Meter Reading: _____

Odometer Reading: 110592 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 1-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: DARREN HOWES

Title: G. M EQUIPMENT

Date: FEB, 03, 2020



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst Kapuskasing

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R155 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B60FEC47955 Year: 2015 License Plate: BC 20426

Other: SUPPLIED WITH RAFNA R290 RAILGEAR, NO FM RADIO, WITH TRUCK CAP, ROLL OUT TRAY, POWER INVERTER AND SPARE TIRE

Date of Delivery: FEB. 1-2020

Scheduled Date of Return: Dec. 31-20

Hour Meter Reading: _____

Hour Meter Reading: _____

Odometer Reading: 52841 KM

Odometer Reading: _____

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the lease.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2500.00/MTH

Daily Cost: \$ 125.00 Weekly Cost: \$ 750.00 Monthly Cost: \$ 2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: Feb. 1-2020

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: DARREN HOWES

Title: G.M. EQUIPMENT

Date: FEB, 03, 2020



1304 Front Street
P.O. Box 159
Hearst, On
POL 1N0
705-372-5103

SCHEDULE A: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: _____

Contact: DARREN HOWES

Extension/Cell: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R169 Make: FORD Model: F350 CREWCAB HI-RAIL

Serial No.: 1FT8W3B68KEG81843 Year: 2019 License Plate: BN 49792

Equipment: WITH FM COMMUNICATION RADIO, SPARE TIRE AND AUX FUEL TANK KIT #FT-7

RATES & COSTS

Date of Delivery: OCT. 27-2021

Expected Date of Return: _____

Delivery Destination: _____

Actual Date of Return: _____

Hour Meter Reading: 1225 HRS

Hour Meter Reading: _____

Odometer Reading: 35834 KM

Odometer Reading: _____

Freight: _____

Freight: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period

To calculate partial charges, in excess of term:

Daily Weekly Monthly

RATE: R169 Daily Cost: \$125.00

Weekly Cost: \$750.00

Monthly Cost: \$2175.00

RATE: FT-7 Daily Cost: \$10.00

Weekly Cost: \$60.00

Monthly Cost: \$200.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: _____

Name: SYLVAIN GOUTURE

Title: MANAGER

Date: OCT.27-21

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: GM Equipment

Date: April 21 2022



1304 Front Street
 P.O. Box 607
 Hearst, On
 P0L 1N0
 705-372-5103

SCHEDULE B: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
 T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIES TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: _____

Contact: DARREN HOWES

Extension/Cell: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit # R174 Make: FORD Model: F350 CREWCAB

Serial No.: 1FT8W3B61JEC30039 Year: 2018 License Plate: BK 95205

Equipment: OPEN BOX, no FM radio

RATES & COSTS

Date of Delivery: MAY 3-21

Expected Date of Return: DEC. 31-2021

Delivery Destination: North Bay

Actual Date of Return: _____

Hour Meter Reading: 2175 HRS

Hour Meter Reading: _____

Odometer Reading: 28975 KM

Odometer Reading: _____

Freight: TBD

Freight: _____

There is no minimum rental period.

Extra kilometer charges of 15¢ /km will apply over 125 km per day, 875 km per week and 4000km per month.

To calculate partial charges, in excess of term:

Daily Weekly Monthly

RATE: R49. Daily Cost: \$125.00

Weekly Cost: \$750.00 Monthly Cost: \$2500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MAY 3-21

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: Darren Howes

Title: Equipment Manager

Date: May,04 2021



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R179 Make: FORD Model: F250 CREWCAB XL 4X4

Serial No.: 1FT7W2B60LEE14025 Year: 2020 License Plate: BP 32824

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, MOTOROLA FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP, 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: MARCH 1 2022

Scheduled Date of Return: FEB. 28 2026

Hour Meter Reading: 1436 HRS

Hour Meter Reading: _____

Odometer Reading: 23345 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: FEB. 23- 2022

LESSEE

I affirm being duly authorized to bind the company.

Signature: [Signature]

Name: Darren Howes

Title: Manager- Equipment

Date: FEB. 23- 2022



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R181 Make: FORD Model: F250 CREWCAB XL 4X4

Serial No.: 1FT7W2B64LEE14027 Year: 2020 License Plate: BP 32823

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, MOTOROLA FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP, 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: MARCH 1 2022

Scheduled Date of Return: FEB. 28 2026

Hour Meter Reading: 271 HRS

Hour Meter Reading: _____

Odometer Reading: 12635 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: FEB. 23- 2022

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: Manager- Equipment

Date: FEB. 23- 2022



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1316

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R182 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B69LED81634 Year: 2019 License Plate: BK 95196

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, KENMORE FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP, 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: MAY 1-21

Scheduled Date of Return: APRIL 30-23

Hour Meter Reading: 472 HRS

Hour Meter Reading: _____

Odometer Reading: 5077 KM

Odometer Reading: _____

This lease is for a minimum period of 24 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: [Signature]

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MAY 3-21

LESSEE

I affirm being duly authorized to bind the company.

Signature: Darren Howes

Name: Darren Howes

Title: Manager- Equipment

Date: May,04 2021



1304 Front Street
P.O. Box 607
Hearst, On
P0L 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R190 Make: FORD Model: F250 CREWCAB XL 4X4

Serial No.: 1FT7W2B6XKEG81882 Year: 2019 License Plate: BK 95195

Other : SUPPLIED WITH RAFNA R290 RAILGEAR, KENMORE FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP. 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: MAY 1-21

Scheduled Date of Return: APRIL 30-23

Hour Meter Reading: 704 HRS

Hour Meter Reading: _____

Odometer Reading: 11936 KM

Odometer Reading: _____

This lease is for a minimum period of 24 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly


To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature:  _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MAY 3-21

LESSEE

I affirm being duly authorized to bind the company.

Signature: Darren Howes _____

Name: Darren Howes

Title: Manager- Equipment

Date: May,04 2021



SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R200 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B61NED08891 Year: 2022 License Plate: BP 56262

Other: SUPPLIED WITH RAFNA R290 RAILGEAR, MOTOROLA FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP, 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: APRIL 1 2022

Scheduled Date of Return: MARCH 31 2026

Hour Meter Reading: 2 HRS

Hour Meter Reading: _____

Odometer Reading: 79 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature:

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MARCH 28- 2022

LESSEE

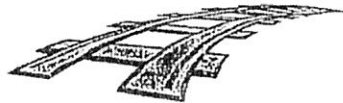
I affirm being duly authorized to bind the company.

Signature:

Name: Darren Howes

Title: Manager- Equipment

Date: MARCH 29- 2022



SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: 905-769-1318

Contact: Darren Howes

Extension/Cell: EXT: 109 CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R201 Make: FORD Model: F350 CREWCAB XL 4X4

Serial No.: 1FT8W3B63NED08892 Year: 2022 License Plate: BP 56261

Other: SUPPLIED WITH RAFNA R290 RAILGEAR, MOTOROLA FM RADIO, 2000 LBS BED SLIDE, LEER DCC TRUCK CAP, 3000 WATT POWER INVERTER, AND SPARE TIRE

Date of Delivery: APRIL 1 2022

Scheduled Date of Return: MARCH 31 2026

Hour Meter Reading: 2 HRS

Hour Meter Reading: _____

Odometer Reading: 37 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation will be done at the end of the first 12 months of this lease period and another one at the end of the 24 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 2175.00/MTH

Daily Cost: \$ 115.00 Weekly Cost: \$ 680.00 Monthly Cost: \$ 2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MARCH 28- 2022

LESSEE

I affirm being duly authorized to bind the company.

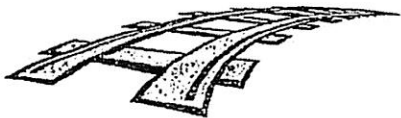
Signature: _____

Name: Darren Howes

Title: Manager- Equipment

Date: MARCH 29- 2022

LMSRAIL EQUIPMENT SERVICES



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE B: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIES TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: _____

Contact: DARREN HOWES

Extension/Cell: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R52 Make: FORD Model: F350 CREWCAB

Serial No.: 1FT8W3B63FEC59789 Year: 2015 License Plate: AK 18658

Equipment : EQUIPPED WITH FUEL TANK KIT # FT-10, no FM radio

RATES & COSTS

Date of Delivery: JUNE 1 2022

Expected Date of Return: DEC. 31-2022

Delivery Destination: North Bay

Actual Date of Return: _____

Hour Meter Reading: 73445 HRS

Hour Meter Reading: _____

Odometer Reading: 207099 KM

Odometer Reading: _____

Freight: TBD

Freight: _____

There is no minimum rental period.

Extra kilometer charges of 15¢ /km will apply over 125 km per day, 875 km per week and 4000km per month.

To calculate partial charges, in excess of term:

Daily Weekly Monthly

RATE: R87: Daily Cost: \$125.00

Weekly Cost: \$750.00

Monthly Cost: \$2300.00

RATE: FT-10: Daily Cost: \$10.00

Weekly Cost: \$60.00

Monthly Cost: \$200.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: MAY 26-2022

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: GM Equipment

Date: May 27 2022



1304 Front Street
P.O. Box 159
Hearst, On
POL 1N0
705-372-5103

SCHEDULE A: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: _____

Contact: DARREN HOWES

Extension/Cell: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R172 Make: FORD Model: F350 CREWCAB HI-RAIL

Serial No.: 1FT8W3B65KEG81847 Year: 2019 License Plate: _____

Equipment: WITH FM COMMUNICATION RADIO, SPARE TIRE AND AUX FUEL TANK KIT #FT-18

RATES & COSTS

Date of Delivery: MAY 1-2022

Expected Date of Return: APRIL 30-2026

Delivery Destination: NORTH BAY, ONT.

Actual Date of Return: _____

Hour Meter Reading: 777 HRS

Hour Meter Reading: _____

Odometer Reading: 8241 KM

Odometer Reading: _____

Freight: \$600.00

Freight: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period

To calculate partial charges, in excess of term:

Daily Weekly Monthly

RATE: R172 Daily Cost: \$125.00

Weekly Cost: \$750.00

Monthly Cost: \$2175.00

RATE: FT-18 Daily Cost: \$10.00

Weekly Cost: \$60.00

Monthly Cost: \$200.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: APRIL 20-22

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: GM Equipment

Date: April 21 2022



1304 Front Street
P.O. Box 159
Hearst, On
POL 1N0
705-372-5103

SCHEDULE A: EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

→ Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: 905-769-1317 Fax: _____

Contact: DARREN HOWES

Extension/Cell: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R191 Make: FORD Model: F350 CREWCAB HI-RAIL SHORT BOX

Serial No.: 1FT8W3B68LED73329 Year: 2019 License Plate: _____

Equipment : WITH FM COMMUNICATION RADIO AND SPARE TIRE

RATES & COSTS

Date of Delivery: MAY 1-2022

Expected Date of Return: APRIL30-2026

Delivery Destination: NORTH BAY, ONT.

Actual Date of Return: _____

Hour Meter Reading: 1308 HRS

Hour Meter Reading: _____

Odometer Reading: 41939 KM

Odometer Reading: _____

Freight: \$600.00

Freight: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period

To calculate partial charges, in excess of term:

Daily Weekly Monthly

RATE: R191

Daily Cost: \$125.00

Weekly Cost: \$750.00

Monthly Cost: \$2175.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: APRIL 20-22

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: Darren Howes

Title: GM Equipment

Date: April 21 2022



1304 Front Street
P.O. Box 607
Hearst, On
POL 1N0
705-372-5103

SCHEDULE "B"-- EQUIPMENT LEASE AGREEMENT

LESSOR

LMS Rail Services Limited
T/A LMS Rail Equipment Services

Point of Origin

Hearst

Other: _____

LESSEE

Name: ALLIED TRACK SERVICES INC

Address: 169A SOUTH SERVICE ROAD

City/ Prov.: GRIMSBY, ONTARIO

Postal: L3M 4H6

Tele: _____ Fax: _____

Contact: DARREN HOWES

Extension/Cell: _____ CELL: 249-878-0132

Customer PO: _____

EQUIPMENT DESCRIPTION

Unit #: R199 Make: FORD Model: F550 CREWCAB XL 4X4 TFO STYLE TRUCK

Serial No.: 1FD0W5HTXNEC53150 Year: 2022 License Plate: BP 16439

Other : SUPPLIED WITH RAFNA R450 RAILGEAR, NO FM RADIO, IMT 1015 CRANE, HYDRAULIC TOOL CIRCUIT

Date of Delivery: FEB. 1-2022

Scheduled Date of Return: JAN. 31-2026

Hour Meter Reading: 1 HR

Hour Meter Reading: _____

Odometer Reading: 35 KM

Odometer Reading: _____

This lease is for a minimum period of 48 months.

Kilometer charges of 15¢ /km will apply over 130 km per day, 910 km per week and 4000km per month. A kilometer calculation may be done at every 12 months of this lease period and another one at the end of the 48 month lease period.

Daily Weekly Monthly

To calculate partial charges, in excess of term:

Rental: \$ 5500.00/MTH

Daily Cost: \$ 275.00 Weekly Cost: \$ 1725.00 Monthly Cost: \$ 5500.00

This agreement is subject to the terms and conditions of Equipment Master Lease Agreement unless otherwise mentioned on this agreement.

LESSOR

Signature: _____

Name: SYLVAIN COUTURE

Title: MANAGER

Date: FEB. 1-2022

LESSEE

I affirm being duly authorized to bind the company.

Signature: _____

Name: DARREN HOWES

Title: EQUIPMENT MANAGER

Date: FEB. 1-2022

Appendix “F”

2806401 ONTARIO INC. o/a ALLIED TRACK SERVICES INC.**Personal Property Security Act (Ontario)**

C means Consumer Goods, **I** means Inventory, **E** means Equipment, **A** means Accounts, **O** means Other, **M** means Motor Vehicle Included
Other Comments intends to capture amendments, partial discharges, etc.]

The order of registration set out below is not necessarily indicative of the priority of registration
 The first eight digits of the Registration Number denote the year, month and day of registration

Current to October 25, 2022

2806401 ONTARIO INC. o/a ALLIED TRACK SERVICES INC.

Secured Party	File Number	Registration Number	Collateral Classification						Collateral Description	Term (Years)	Debtor	Other Comments
			C	I	E	A	O	M				
1. LMS Rail Services Ltd.	787690458	i) 20221019 1046 1590 4635			X			X	Equipment Master Lease Agreement	5	2806401 Ontario Inc. o/a Allied Track Services Inc.	No fixed maturity date
LMS Rail Services Inc. 60 Highway 11 East, Box 159 Hearst, ON P0L 1N0		ii) 20221021 1118 1590 4971							[See search results for vehicle descriptions and VINs]			

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

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

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

RESPONSE CONTAINS: APPROXIMATELY 1 FAMILIES and 5 PAGES.

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

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 5

SEARCH : BD : 2806401 ONTARIO INC. O/A ALLIED TRACK SERVICES INC.

00 FILE NUMBER : 787690458 EXPIRY DATE : 19OCT 2027 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20221019 1046 1590 4635 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 2806401 ONTARIO INC. O/A ALLIED TRACK SERVICES CORP.
 OCN : 2806401
 04 ADDRESS : 169A S SERVICE RD
 CITY : GRIMSBY PROV: ON POSTAL CODE: L3M 4H6
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

LMS RAIL SERVICES LTD.

09 ADDRESS : 60 HIGHWAY 11 EAST BOX 159

CITY : HEARST PROV: ON POSTAL CODE: P0L 1N0

CONS. MV DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X X X X

YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 EQUIPMENT MASTER LEASE AGREEMENT

14

15

16 AGENT: SICOTTE GUILBAULT

17 ADDRESS : 1-5925 JEANNE D ARC BLVD

CITY : OTTAWA PROV: ON POSTAL CODE: K1C 6V8

CONTINUED

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

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

FAMILY : 1 OF 1 ENQUIRY PAGE : 2 OF 5

SEARCH : BD : 2806401 ONTARIO INC. O/A ALLIED TRACK SERVICES INC.
 FILE NUMBER 787690458

PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 4 MV SCHED: X 20221021 1118 1590 4971 P PPSA
 21 REFERENCE FILE NUMBER : 787690458
 22 AMEND PAGE: 1 NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: 2806401 ONTARIO INC. O/A ALLIED TRACK SERVICE
 S CORP.
 25 OTHER CHANGE:
 26 REASON: CHANGE SECURED PARTY NAME FROM LMS RAIL SERVICES LTD. TO LMS RAIL
 27 /DESCR: SERVICES INC.
 28 : ADD MOTOR VEHICLES
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:
 OCN:
 04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
 10 X X X X
 11 2015 FORD F350 1FT8W3B63FEC59789
 12 2015 FORD F350 1FT8W3B63FEC59792
 13
 14
 15

16 NAME : SICOTTE GUILBAULT

17 ADDRESS : 5925 JEANNE DARC BLVD, UNIT 1

CITY : OTTAWA PROV : ON POSTAL CODE : K1C 6V8

CONTINUED

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

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

FAMILY : 1 OF 1 ENQUIRY PAGE : 3 OF 5

00 REF: 787690458 01 PAGE: 002 OF 4 REG NUM: 20221021 1118 1590 4971
YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)

41	2015	FORD	F350	1FT8W3B62FEC67415
42	2015	FORD	F350	1FT8W3B62FEC94386
43	2015	FORD	F250	1FT7W2B63FEC19637
44	2016	FORD	F350	1FT8W3B63GEC27653
45	2016	FORD	F350	1FT8W3B65GEC27654
46	2016	FORD	F350	1FT8W3B6XGEC36480
47	2016	FORD	F350	1FT8W3B61GEC36481
48	2016	FORD	F350	1FT7W2B69GED34602
49	2016	FORD	F350	1FT7W2B6XGED43809
50	2016	FORD	F350	1FT7W2B66GED43810
51	2016	FORD	F350	1FT7W2B68GED43811
52	2016	FORD	F350	1FT7W2B6XGED43812
53	2016	FORD	F350	1FT7W2B61GED43813
54	2016	FORD	F350	1FT8W3B61GED34605
55	2017	FORD	F250	1FT7W2B66HED74816
56	2017	FORD	F250	1FT7W2B67HED82052

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

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

FAMILY : 1 OF 1 ENQUIRY PAGE : 4 OF 5

00 REF: 787690458 01 PAGE: 003 OF 4 REG NUM: 20221021 1118 1590 4971
 YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)

41	2017	FORD	F250	1FT7W2B67HED97814
42	2017	FORD	F250	1FT7W2B67HEE11517
43	2017	FORD	F250	1FT7W2B69HEE11518
44	2017	FORD	F250	1FT7W2B69HED97815
45	2017	FORD	F250	1FT7W2B61HED97811
46	2017	FORD	F250	1FT7W2B60HED97816
47	2017	FORD	F350	1FT8W3B64HEE11520
48	2017	FORD	F350	1FT8W3B68HEE11519
49	2017	FORD	F350	1FT8W3B62HEE39638
50	2017	FORD	F350	1FT8W3B64HEE39639
51	2019	FORD	F550	1FD0W5HT3KEE16569
52	2019	FORD	F350	1FT7W2B62KED88977
53	2019	FORD	F350	1FT7W2B62KEE30371
54	2019	FORD	F350	1FT8W3B68KEE30370
55	2018	FORD	F350	1FT7W3BT5JEC00723
56	2018	FORD	F350	1FT7X2B64JEB76822

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

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2806401 Ontario Inc. o/a Allied Track Services Inc.

FILE CURRENCY: October 25, 2022

FAMILY : 1 OF 1 ENQUIRY PAGE : 5 OF 5

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YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)

41	2014	FORD	F350	1FT8W3B67EEB71133
42	2015	FORD	F350	1FT8W3B60FEC47955
43	2019	FORD	F350	1FT8W3B62KEG81840
44	2019	FORD	F350	1FT8W3B68KEG81843
45	2019	FORD	F350	1FT8W3B63KEG81846
46	2019	FORD	F350	1FT8W3B65KEG81847
47	2018	FORD	F350	1FT8W3B61JEC30039
48	2020	FORD	F250	1FT7W2B60LEE14025
49	2020	FORD	F250	1FT7W2B64LEE14027
50	2019	FORD	F350	1FT8W3B69LED81634
51	2019	FORD	F250	1FT7W2B6XKEG81882
52	2019	FORD	F350	1FT8W3B68LED73329
53	2022	FORD	F550	1FD0W5HTXNEC53150
54	2022	FORD	F350	1FT8W3B61NED08891
55	2022	FORD	F350	1FT8W3B63NED08892

56

LAST SCREEN

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