

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
***BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED;**
AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED

MOTION RECORD
(Returnable December 13, 2018)
(Approval of Brampton Stalking Horse Agreement and Bidding Procedures)

Date: December 7, 2018

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, Ontario
M5K 1N2 Canada

Fax: 416.865.7380

Scott A. Bomhof (LSO#: 37006F)

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam M. Slavens (LSO#: 54433J)

Tel: 416.865.7333

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.,
in its capacity as Court-appointed Receiver

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TAB1

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN

BRIDGING FINANCE INC., as agent for
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AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED

NOTICE OF MOTION
(Returnable December 13, 2018)
(Approval of Brampton Stalking Horse Agreement and Bidding Procedures)

KSV KOFMAN INC. (“KSV”), in its capacity as the Court-appointed receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario ((i) – (iii), collectively, the “**Property**”), will make a motion to a Judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario, on December 13, 2018, at 10:00 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR an order approving:

- (a) the stalking horse agreement of purchase and sale made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (“**265**” or the “**Stalking Horse Bidder**”), an affiliate of Bridging Finance Inc., pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands (the “**Stalking Horse Agreement**”);
- (b) related bidding procedures (the “**Bidding Procedures**”) to be followed by the Receiver in connection with the sale of the Lands (the “**Lands Sale**”);
- (c) the engagement of Intercity Realty Inc. (“**Intercity**”) as listing agent in connection with the Lands Sale;
- (d) the termination agreement (the “**Termination Agreement**”) dated as of December 6, 2018, between the Receiver and 265 that terminates an agreement of purchase and sale dated October 4, 2018, between Forma-Con and 265 in respect of the Lands (the “**Original APS**”), which Original APS was entered into prior to these receivership proceedings;
- (e) the First Report of the Receiver dated December 7, 2018 (the “**First Report**”);
and
- (f) such further and other relief as counsel may request and this Court may deem just, substantially in the form of the draft order included at Tab 3 of the Receiver’s Motion Record.

THE GROUNDS FOR THE MOTION ARE:

- (g) On November 19, 2018, this Court granted an order (the “**Receivership Order**”) appointing KSV as Receiver pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, R.S.O. 1990, c. C.43, as amended (the “**CJA**”);

- (h) The Receivership Order authorizes the Receiver to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof (including the Lands) and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (i) In connection with the Lands Sale, and as set forth in greater detail in the First Report, the Receiver has negotiated and entered into the Stalking Horse Agreement subject to, among other things, approval by this Court;
- (j) The Stalking Horse Agreement contemplates that the Receiver will follow the Bidding Procedures in connection with the Lands Sale;
- (k) Pursuant to the Bidding Procedures, and as set forth in greater detail in the First Report, parties interested in purchasing the Lands will be provided with the opportunity to submit bids for the Lands and, if such bids are Qualified Bids, such Qualified Bidders will be invited to participate in an auction with the Stalking Horse Bidder to identify the Successful Bidder (each, as defined in the Bidding Procedures);
- (l) Pursuant to the Bidding Procedures, the Stalking Horse Bidder is deemed to be a Qualified Bidder and the Stalking Horse Bid (as defined in the Bidding Procedures) is deemed to be a Qualified Bid;
- (m) Of particular note, there are no bid protections or expense reimbursements payable under the Stalking Horse Agreement or the Bidding Procedures;
- (n) Intercity is familiar with the Lands, having already marketed them for over two years, and its retention by the Receiver as listing agent will assist with the implementation of the Bidding Procedures and the Lands Sale pursuant thereto;
- (o) In connection with the Receiver's entry into the Stalking Horse Agreement, the Receiver and 265 entered into the Termination Agreement in order to terminate the Original APS that was entered into prior to these receivership proceedings;

- (p) the Receiver's actions and activities, as described in the First Report, are lawful and proper, consistent with its powers and duties under the Receivership Order and in accordance with the provisions of the BIA;
- (q) Pursuant to the Receivership Order, the Receiver brings this motion to request the relief described above, and files the First Report to provide this Court with the background, basis for, and recommendations in respect thereof;
- (r) Section 243(1) of the BIA;
- (s) Section 101 of the CJA;
- (t) The *Rules of Civil Procedure*, including, without limitation, Rules 1.04, 2.03, 3.02, and 37 thereof; and
- (u) Such further and other grounds as counsel may advise and this Court may permit.

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

- (a) The First Report; and
- (b) Such further and other evidence as counsel may advise and this Court may permit.

Date: December 7, 2018

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, Ontario
M5K 1N2 Canada

Fax: 416.865.7380

Scott A. Bomhof (LSO#: 37006F)

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam M. Slavens (LSO#: 54433J)

Tel: 416.865.7333

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.,
in its capacity as Court-appointed Receiver

TO: This Court

AND TO: The Service List

Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN

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Applicant

-and-

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R.S.O. 1990, c. C.43, AS AMENDED**

**SERVICE LIST
(Updated to December 6, 2018)**

KSV KOFMAN INC.

150 King Street West, Suite 2308 Box 42
Toronto, ON M5H 1J9

Bobby Kofman

Tel: 416.932.6228

Email: bkofman@ksvadvisory.com

Noah Goldstein

Tel: 416.932.6207

Email: ngoldstein@ksvadvisory.com

Fax: 416.932.6266

Jonathan Joffe

Tel: 416.932.6253

Email: jjoffe@ksvadvisory.com

Receiver

GOODMANS LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise

Tel: 416.597.4281

Email: hwise@goodmans.ca

Christopher G. Armstrong

Tel: 416.849.6013

Email: carmstrong@goodmans.ca

Graham Smith

Tel: 416.597.4161

Email: gsmith@goodmans.ca

Loren Cohen

Tel: 416.849.6921

Email: lcohen@goodmans.ca

Fax: 416.979.1234

Counsel to Bridging Finance Inc., as agent for 2665405
Ontario Inc.

TORYS LLP

79 Wellington Street West
Box 270, TD South Tower
Toronto, ON M5K 1N2

Scott Bomhof

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam Slavens

Tel: 416.865.7333

Email: aslavens@torys.com

Fax: 416.865.7380

Counsel to the Receiver

BRAUTI THORNING ZIBARRAS LLP

161 Bay Street, Suite 2900
Toronto, ON M5J 2S1

Steve Weisz

Tel: 416.304.6522

Fax: 416.362.8410

Email: sweisz@btzlaw.ca

Caitlin Fell

Tel: 416.304.7002

Fax: 416.362.8410

Email: cfell@btzlaw.ca

Counsel to the directors and officers of Bondfield

<p>OSLER LLP 100 King Street West 1 First Canadian Place Suite 6200, P.O. Box 50 Toronto, ON M5X 1B8</p> <p>Michael De Lellis Tel : 416.862.5997 Email : mdelellis@osler.com</p> <p>Jeremy Dacks Tel: 416.862.4923 Email: jdacks@osler.com</p> <p>Counsel to Bondfield</p>	<p>FAAN ADVISORS GROUP INC. 20 Adelaide Street East, Suite 920 Toronto, ON M5C 2T6</p> <p>Daniel Sobel Tel: 647.272.8383 Email: Daniel@faanadvisors.com</p> <p>Naveed Manzoor Tel: 416.258.6145 Email: Naveed@faanadvisors.com</p> <p>Financial advisors to Bondfield</p>
<p>1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED 407 Basaltic Road Vaughan, ON L4K 4W8</p> <p>Paul Dipede Tel : 416.667.8422 Fax : 416.667.8462 Email : PDipede@bondfield.com</p>	<p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West, Suite 3400 Toronto, ON M5H 4E3</p> <p>James Maclellan Tel : 416.367.6592 Fax : 416.367.6749 Email : JMacLellan@blg.com</p> <p>Alex MacFarlane Tel : 416.367.6305 Fax: 416.367.6749 Email : amacfarlane@blg.com</p> <p>Counsel to Zurich Insurance Company Ltd.</p>
<p>MINISTRY OF FINANCE (ONTARIO) Legal Service Branch 33 King Street West, 6th Floor Oshawa, ON L1H 8H5</p> <p>Kevin O'Hara Tel: 905.433.6934 Fax: 905.436.4510 Email: kevin.ohara@ontario.ca</p>	<p>MCCARTHY TETRAULT LLP 66 Wellington Street West Suite 5300, TD Bank Tower Box 48 Toronto, ON M5K 1E6</p> <p>Heather Meredith Tel: 416.601.8342 Fax: 416.868.0673 Email: hmeredith@mccarthy.ca</p> <p>Trevor Courtis Tel: 416.601.7643 Fax: 416.868.0673 Email: tcourtis@mccarthy.ca</p> <p>Counsel to Bank of Montreal and TD Bank, each as agent</p>

<p>RALPH AQUINO 407 Basaltic Road Concord, ON L4K 4W8 Email: raquino@bondfield.com</p>	<p>DEPARTMENT OF JUSTICE The Exchange Tower 130 King Street West, Suite 3400 PO Box 36 Toronto, ON M5X 1K6 Diane Winters Tel: 416-973-3172 Fax: 416-973-0810 Email: diane.winters@justice.gc.ca Michael Bader Email: michael.bader@justice.gc.ca Counsel for Canada Revenue Agency</p>
<p>STEVEN AQUINO 407 Basaltic Road Concord, ON L4K 4W8 Email: saquino@bondfield.com</p>	<p>JOHN AQUINO 407 Basaltic Road Concord, ON L4K 4W8 Email: jaquino@bondfield.com</p>
<p>CHAITONS LLP 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9 Harvey Chaiton Tel: 416.218.1129 Fax: 416.218.1849 Email: harvey@chaitons.com Counsel to Bank of Montreal, as agent</p>	<p>KOSKIE MINSKY LLP 20 Queen Street West Suite 900 Toronto, ON M5H 3R3 Demetrios Yiokaris Tel: 416.595.2130 Fax: 416.204.2810 Email: dyiokaris@kmlaw.ca Daniel Resnick Tel: 416.542.6299 Fax: 416.204.2813 Email: dresnick@kmlaw.ca Jeffrey J. Long Tel: 416.595.2125 Fax: 416.204.2892 Email: jlong@kmlaw.ca Counsel to LIUNA Local 506</p>

KOSKIE MINSKY LLP

20 Queen Street West
Suite 900
Toronto, ON M5H 3R3

Demetrios Yiokaris

Tel: 416.595.2130
Fax: 416.204.2810
Email: dyiokaris@kmlaw.ca

Daniel Resnick

Tel: 416.542.6299
Fax: 416.204.2813
Email: dresnick@kmlaw.ca

Counsel to IUOE Local 793

CASSELS BROCK & BLACKWELL LLP

40 King Street West
Suite 2100
Toronto, ON M5H 3C2

Todd Robinson

Tel: 416.860.6506
Fax: 416.642.7160
Email: trobinson@casselsbrock.com

Erin Craddock

Tel: 416.860.6480
Fax: 416.644.9324
Email: ecraddock@casselsbrock.com

Counsel to Infrastructure Ontario

GOLDMAN SLOAN NASH & HABER LLP

480 University Avenue
Suite 1600
Toronto ON M5G 1V2

Catherine Willson

Tel: 416.597.6488
Fax: 416.597.3370
Email: willson@gsnh.com

Counsel to Aluma Systems Inc.

Goldblatt Partners

20 Dundas Street West
Suite 1039
Toronto ON M5G 2C2
Fax: 416.591.7333

Lorne Richmond

Tel: 416.979.6407
Email: lrichmond@goldblattpartners.com

Ryan Newell

Tel: 416.979.6401
Email: rnewell@goldblattpartners.com

Counsel to Brick and Allied Craft Union of Canada,
Local 12

EMAIL SERVICE LIST

bkofman@ksvadvisory.com; ngoldstein@ksvadvisory.com; jjoffe@ksvadvisory.com; hwise@goodmans.ca; carmstrong@goodmans.ca; gsmith@goodmans.ca; lcohen@goodmans.ca; sbomhof@torys.com; aslavens@torys.com; sweisz@btzlaw.ca; cfell@btzlaw.ca; mdelellis@osler.com; jdacks@osler.com; PDipede@bondfield.com; Daniel@faanadvisors.com; Naveed@faanadvisors.com; JMacLellan@blg.com; amacfarlane@blg.com; diane.winters@justice.gc.ca; michael.bader@justice.gc.ca; jaquino@bondfield.com; raquino@bondfield.com; saquino@bondfield.com; kevin.ohara@ontario.ca; hmeredith@mccarthy.ca; tcourtis@mccarthy.ca; harvey@chaitons.com; dyiokaris@kmlaw.ca; dresnick@kmlaw.ca; jlong@kmlaw.ca; trobenson@casselsbrock.com; ecraddock@casselsbrock.com; willson@gsnh.com

**ONTARIO
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**SERVICE LIST
(Unions and PPSA Registrants)
December 6, 2018**

UNIONS

<p>LABOURERS' PENSION FUND OF CENTRAL AND EASTERN CANADA, LOCAL 247 PO Box 9002 Lakeshore West PO Oakville, ON L6K 0G1</p> <p>Joe Cirasella Email: jcirasella@lpfcec.org</p>	<p>CARPENTERS' DISTRICT COUNCIL OF ONTARIO 222 Rowntree Dairy Road Woodbridge, ON L4L 9T2</p> <p>Fax: 905 652-5930</p>
<p>INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 793 2245 Speers Road Oakville, ON L6L 6X8</p> <p>Fax: 905 469-3007</p>	<p>CARPENTERS UNION, LOCAL 27 222 Rowntree Dairy Road Woodbridge, ON L4L 9T2</p> <p>Fax: 905 652-4149/4139</p>
<p>LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 183 1263 Wilson Avenue, Suite 200 Toronto, ON M3M 3G3</p> <p>Main Email: info@liuna183.ca</p>	<p>LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 837 44 Hughson Street South Hamilton, ON L8N 2A7</p> <p>-and-</p> <p>330 Industrial Road Cambridge, ON N3H 4R7</p> <p>-and-</p> <p>267 Carlton Street St. Catharines, ON L2N 1B7</p> <p>Manuel Bastos Email: mbastos@laborers837.on.ca</p> <p>Rose Sorce Email: rsorce@laborers837.on.ca</p>
<p>LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 837 – Training Centre 526 Winona Road North Stoney Creek, ON L8E 5E9</p> <p>Ricardo Persi Email: rpersi@laborers837.on.ca</p>	<p>LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL 506 3750 Chesswood Drive Toronto, ON M3J 2W6</p> <p>Michael Hancock Email: michealh@local506.ca</p>

<p>CARPENTERS UNION, LOCAL 93 8560 Campeau Drive Kanata, ON K2T 0N7</p> <p>Stephen Chedas Email: schedas@thecarpentersunion.ca</p>	<p>IRON WORKERS LOCAL UNION 721 909 Kipling Avenue Toronto, Ontario M8Z 5H3</p> <p>Fax: 416 232-9565</p>
<p>ONTARIO IRONWORKERS/ROADMEN BENEFIT PLAN ADMINISTRATORS CORPORATION 111 Sheppard Avenue East Toronto, ON M2N 6S2</p> <p>Pat Barwell Email: pat@ontarioironworkers.com</p>	<p>BRICK AND ALLIED CRAFT UNION OF CANADA, LOCAL 12 124 Sydney Street South Kitchener, ON N2G 3V2</p> <p>Lorne Richmond Email: lrichmond@goldblattpartners.com</p> <p>Ryan Newell Email: rnewell@goldblattpartners.com</p>
<p>BRICK AND ALLIED CRAFT UNION OF CANADA 130-180 Attwell Drive Etobicoke, ON M9W 6A9</p> <p>Elaine Daye Email: edaye@bacu.ca</p>	<p>GLOBAL BENEFITS 88 St Regis Crescent South North York, ON M3J 1Y8</p> <p>Fax: 416 635-6464</p>
<p>BRICKLAYER'S MASON'S INDEPENDENT UNION OF CANADA, LOCAL 1 East Wing, 1263 Wilson Avenue, Suite 307 3rd Floor Toronto, ON M3M 3G2</p> <p>Francesca Mercuri Email: fmercuri@localone.ca</p>	<p>UNITED STEEL WORKERS, LOCAL 838 33 Bridgeport Road East Waterloo, ON N2J 2J4</p>
<p>UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA, LOCAL 18 1342 Stone Church East Hamilton, ON L8W 2C8</p> <p>Email: info@local18.ca</p> <p>-and-</p> <p>360 York Road, Unit #24 Niagara-on-the-Lake, ON L0S 1J0</p> <p>Email: thorold@local18.ca</p>	<p>INTERNATIONAL UNION OF BRICKLAYERS AND ALLIED CRAFTWORKERS, LOCAL 20 113 Douro Third Line Lakefield, ON K0L 2H0</p>

<p>INTERNATIONAL UNION OF BRICKLAYERS AND ALLIED CRAFTWORKERS, LOCAL 7 2100 Thurston Drive, Unit 3 Ottawa, ON K1G 4K8</p> <p>Email: local7@bellnet.ca</p>	<p>BRICK AND ALLIED CRAFT UNION OF CANADA, LOCAL 2 – TORONTO – BARRIE – OSHAWA #49-1170 Sheppard Ave. West Toronto, ON M3K 2A3</p> <p>Tom Williams Email: tomlocal2brick@rogers.com</p>
<p>BRICK AND ALLIED CRAFT UNION OF CANADA, LOCAL 25 – THUNDER BAY 275 Grenville Thunder Bay, ON P7A 2A6</p> <p>Rick Eade Email: brick25@hotmail.com</p>	<p>BRICK AND ALLIED CRAFT UNION OF CANADA, LOCAL 10 – KINGSTON 35 Terry Fox Dr., Unit 302 Kingston, ON K7M 8N4</p> <p>John Smith Email: jsmithbacu10@yahoo.ca</p>

PPSA REGISTRANTS¹

<p>Travelers Guarantee Company of Canada 650 West Georgia Street, Suite 2500 Vancouver, BC V6B 4N7 Attention: Cornel Peana</p>	<p>FF Supply LLC dba Zenith Insured Credit 445 Park Avenue, 9th Floor New York, NY 10022</p>
<p>McAlpine Ford Lincoln Sales Ltd 15815 Yonge Street Aurora, ON L4G 1P4</p>	<p>Aluma Systems Inc. 2 Manchester Court Bolton, ON L7E 2J3</p>
<p>Toromont CAT, a div. of Toromont Industries Ltd. 3131 Hwy. 7 West, PO Box 5511 Concord, ON L4K 1B7</p>	<p>Demelo's Construction Equipment Ltd 580 Fenmar Drive Toronto, ON M9L 2S4</p>
<p>Bank of Montreal / Banque de Montreal 250 Yonge Street Toronto, ON M5B 2L7</p>	<p>ATCO Structures & Logistics ATCO Structures & Logistics Ltd. 65 Reive Boulevard Cookstown, ON L0L 1L0</p>
<p>Ford Credit Canada Company Ford Credit Canada Limited PO Box 2400 Edmonton, AB T5J 5C7</p>	<p>Highland Chevrolet Buick GMC Cadillac Ltd. P.O. Box 71610, 15783 Yonge Street Aurora, ON L4G 6S9</p>
<p>Wells Fargo Equipment Finance Company 2300 Meadowvale Blvd, Suite 200 Mississauga, ON L5N 5P9</p>	<p>Lincoln AFS PO Box 2400, Edmonton AB T5J 5C7</p>
<p>GE Canada Asset Financing Holding Company 2300 Meadowvale Blvd, Suite 200 Mississauga, ON L5N 5P9</p>	<p>GE VFS Canada Limited Partnership 2300 Meadowvale Blvd, Suite 200 Mississauga ON L5N 5P9</p>
<p>National Leasing Group Inc. 1525 Buffalo Place Winnipeg, MB R3T 1L9</p>	<p>Caterpillar Financial Services Limited 3457 Superior Court, Unit 2 Oakville, ON L6L 0C4</p>
<p>Bank of Montreal, as Administrative Agent 100 King Street West, 11th Floor, Toronto, ON M5X 1A1</p>	<p>CWB NL Financial Inc. 1525 Buffalo Place, Winnipeg MB R3T 1L9</p>
<p>Caisse Centrale Desjardins, as Administrative Agent 1170 Peel Street, Office 300 Montreal, QC H3B 0A9</p>	<p>The Toronto-Dominion Bank, as Administrative Agent TD Bank Tower 66 Wellington Street West, 9th Floor Toronto, ON M5K 1A2</p>

¹ PPSA registrants on this Service List include parties with registrations against 1033803 Ontario Inc. and 1087507 Ontario Limited as well as other companies within the Bondfield group of companies.

<p>GE Canada Equipment Financing G.P. (9755530001) RS GE Canada Equipment Financing G.P. (9754010001) RS GE Canada Equipment Financing G.P. 2300 Meadowvale Blvd, Suite 200 Mississauga, ON L5N 5P9</p>	<p>Bank of Montreal, as Administrative Agent 100 King Street West, 4th Floor 1 First Canadian Place Toronto, ON M5T 1T4</p>
<p>Mercedes-Benz Financial Services Canada Corporation Mercedes-Benz Financial 2680 Matheson Blvd. E, Suite 500 Mississauga, ON L4W 0A5</p>	<p>GM Financial Canada Leasing Ltd. 2001 Sheppard Ave. Suite 600 Toronto, ON M2J 4Z8</p>
<p>Her Majesty in Right of Ontario Represented by the Minister of Finance 400-130 Dufferin Avenue London, ON N6A 6G8</p>	<p>Zurich Insurance Company Ltd. 100 King Street Suite 5500 Toronto, ON M5X 1C9</p>
<p>Bridging Finance Inc., as Agent 77 King Street West Suite 2925 Toronto, ON M5K 1K7</p>	<p>Element Financial Corporation 161 Bay Street Suite 4600, PO Box 621 Toronto, ON M5J 2S1</p>

**BRIDGING FINANCE INC.,
as agent for 2665405 ONTARIO INC.**

Applicant

**1033803 ONTARIO INC. and
1087507 ONTARIO LIMITED**

Respondents

Court File No.

CV-18-608978-00CL

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

Proceedings commenced in Toronto

**NOTICE OF MOTION
(Returnable December 13, 2018)
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Agreement and Bidding Procedures)**

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, Ontario
M5K 1N2 Canada

Fax: 416.865.7380

Scott A. Bomhof (LSO#: 37006F)

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam M. Slavens (LSO#: 54433J)

Tel: 416.865.7333

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.,
in its capacity as Court-appointed
Receiver



TAB2



**First Report of
KSV Kofman Inc.
as Receiver and Manager of 1038303 Ontario Inc.
and 1087507 Ontario Limited and Certain Related
Other Property**

December 7, 2018

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COURT FILE NO: CV-18-608978-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BRIDGING FINANCE INC. AS AGENT FOR
2665405 ONTARIO INC

APPLICANT

- AND -

1033803 ONTARIO INC. AND 1087507 ONTARIO LIMITED

RESPONDENTS

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS
AMENDED; AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O.
1990, C. C.43, AS AMENDED

FIRST REPORT OF
KSV KOFMAN INC.
AS RECEIVER AND MANAGER

DECEMBER 7, 2018

1.0 Introduction

1. On November 19, 2018, Bridging Finance Inc., as agent (the "Agent") for 2665405 Ontario Inc. (the "Lender"), made an application to the Ontario Superior Court of Justice (Commercial List) (the "Court") for, *inter alia*, the appointment of KSV Kofman Inc. ("KSV") as receiver and manager of:
 - a) all of the assets, undertakings and properties of 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing ("Forma Con") and 1087507 Ontario Inc. ("108" and together with Forma Con, the "Debtors");
 - b) certain assets of Bondfield Construction Company Limited ("BCCL") and Bondfield Construction Equipment Ltd. ("BCEL") (the "Forma Con Related Assets"); and
 - c) the real property known municipally as 131 Saramia Crescent, Vaughan (the "Saramia Property"). (Collectively, the Debtors, the Forma Con Related Assets and the Saramia Property are referred to as the "Receivership Property".)

2. The Court granted the relief requested on the return of the receivership application and KSV was appointed Receiver pursuant to the terms of the receivership order ("Receivership Order"). A copy of the Receivership Order is provided in Appendix "A".

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information with respect to these receivership proceedings;
 - b) summarize the terms of an agreement (the "Termination Agreement") between the Receiver and Forma Con dated December 6, 2018 terminating an Agreement of Purchase and Sale (the "Original APS") dated October 4, 2018 between Forma Con and 2657897 Ontario Inc. ("265"), an affiliate of the Agent, to purchase the property located at 3420 Queen Street East, Brampton (the "Brampton Property");
 - c) summarize the terms of an Agreement of Purchase and Sale¹ (the "Stalking Horse Agreement") between 265 and the Receiver dated December 6, 2018 to purchase the Brampton Property which, subject to the approval of this Court, would be the "stalking horse" in the Sale Process for the Brampton Property (the "Sale Process");
 - d) provide the proposed terms of the Sale Process, including its bidding procedures (the "Bidding Procedures"), and to seek approval to retain Intercity Realty Inc. ("Intercity") as the listing agent to sell the Brampton Property in the Sale Process;
 - e) recommend that the Court issue orders, *inter alia*:
 - i. approving the Termination Agreement;
 - ii. approving the Stalking Horse Agreement, solely for the purposes of being the "stalking horse" in the Sale Process, provided that if 265 is the successful bidder, completion of the transaction contemplated by the Sale Process will be subject to the Court's approval, upon a further motion by the Receiver in these proceedings;
 - iii. approving the Sale Process, including the Bidding Procedures;
 - iv. authorizing the Receiver to engage Intercity; and
 - v. approving this Report.

1.2 Currency

1. All references to currency in this Report are in Canadian dollars.

¹ At the time the Report was finalized, the signatory for 265 was unavailable. Its signature page can be provided to the Court on the return of the motion, upon request.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon unaudited, draft and/or internal financial information of the Debtors, BCCL and BCEL, the books and records of the Debtors, BCCL and BCEL and discussions with various parties including management and BCCL's financial advisor. The Receiver has not performed an audit or other verification of such information. The Receiver expresses no opinion or other form of assurance with respect to the financial information presented in this Report. The Receiver accepts no responsibility in respect of any reliance placed by any party on the financial information provided in this Report.

2.0 Background

2.1 Forma Con

1. Forma Con was founded in 1993. It operates a concrete forming business that provides forming services for construction projects. The shares of Forma Con are owned by members of the Aquino family.
2. Forma Con is an affiliate of BCCL. BCCL is a major full-service construction company operating in Ontario. Except for those assets of BCCL subject to the Receivership Order, BCCL's business continues to operate and is not subject to these proceedings.
3. Forma Con owns real property municipally described as 407 Basaltic Road, Vaughan (the "Head Office") and the Brampton Property. The Receiver is presently leasing the Head Office premises to BCCL. The Brampton Property is commercially zoned raw land and is the main topic of this Report.

2.2 Secured Creditors

1. The Lender is the Debtors' principal secured creditor. The Debtors and certain of their affiliates are indebted to the Lender for approximately \$85 million, plus costs and expenses which continue to accrue.
2. Immediately following its appointment, the Receiver instructed Torys LLP ("Torys") to perform a review of the Lender's security.
3. Subject to the standard assumptions and qualifications contained in the security opinion, Torys is of the opinion that the security granted by the Debtors, BCCL and BCEL and Ralph Aquino, a guarantor, in favour of the Lender create a valid and perfected security interest in the Receivership Property, including the Brampton Property. A copy of the security opinion can be made available to the Court upon request.
4. While there are several creditors and claimants with, or asserting, a security interest in certain of the Receivership Property, none of them appears to have a security interest in the Brampton Property. Accordingly, with the exception of the Lender's security interest, the Receiver has not provided a discussion of the various secured claims against the Receivership Property in this Report. A discussion of these interests and claims will follow in a subsequent report to be issued by the Receiver.

3.0 Brampton Property

1. Prior to the receivership proceedings, Forma Con and 265, an affiliate of the Agent, entered into an Agreement of Purchase and Sale dated October 4, 2018 to purchase the Brampton Property for \$16.5 million (the "Original APS"). 265 paid a cash deposit of \$260,000. The transaction did not close prior to the receivership proceedings. The deposit is being held in trust with Goodmans LLP, counsel to the Agent.
2. 265 continues to be interested in acquiring the Brampton Property and is prepared to be a stalking horse in the Sale Process for that purpose.
3. In connection with entering into the Stalking Horse Agreement, the Receiver also entered into the Termination Agreement to terminate the Original APS, subject to Court approval. Consistent with the terms of the Original APS, the Termination Agreement will result in the return of the deposit to 265. A copy of the Termination Agreement is provided in Appendix "B".

3.1 The Stalking Horse Agreement²

1. A copy of the Stalking Horse Agreement is attached as Appendix "C".
2. The key terms and conditions of the Stalking Horse Agreement are provided below.
 - **Purchaser:** 265
 - **Purchased Assets:** the Brampton Property
 - **Purchase Price:** \$16,500,000, in the form of a credit bid. The purchase price will be adjusted on closing for property taxes and other adjustments standard for a real estate transaction.
 - **Representation and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.
 - **Closing:** first business day which is three business days after receipt of the Approval and Vesting Order and such Order being a Final Order (as such term is defined in the Stalking Horse Agreement).
 - **Material Conditions:** by Closing, the Court will have issued an Approval and Vesting Order approving the transaction and vesting the Brampton Property in 265 free and clear of all Encumbrances other than Permitted Encumbrances.
 - **Termination:** the Stalking Horse Agreement can be terminated:
 - upon mutual written agreement of the parties;

² Terms not defined in this section have the meaning provided to them in the Stalking Horse Agreement.

- by the Receiver or 265 if consummation of the Transaction would violate any final order of the Court or any other Governmental Authority having competent jurisdiction, provided that the party seeking to terminate the Agreement shall have used its commercially reasonable efforts to challenge such law, order, decree or judgment;
- by 265 or the Receiver, if the Court approves an Alternative Transaction or the sale of all or substantially all of the Brampton Property to anyone other than 265; and
- by 265 or the Receiver, if the Closing shall not have occurred by 5:00 p.m. on March 31, 2019.
- **Closing Documents and Payment of the Purchase Price:** on or before Closing, 265 shall deliver an irrevocable direction and acknowledgment, in a form acceptable to the Receiver in its sole discretion from each of the Agent and 265 acknowledging the reduction of the Secured Indebtedness in the amount of the Purchase Price.

3.2 Considerations Regarding 265 as the Stalking Horse

1. The Receiver considered whether 265's offer warrants being the stalking horse. The Receiver's considerations include:
 - Forma Con had previously obtained an appraisal (the "Appraisal") for the Brampton Property. The Appraisal supports the value of the offer;
 - there are no bid protections, such as a break fee or expense reimbursement payable to 265, which are common attributes of a Sale Process involving a stalking horse purchaser; and
 - the Brampton Property has been listed for sale by Forma Con since July 2016. No other acceptable offers have been submitted since that time.

4.0 Sale Process and Bidding Procedures

4.1 Sale Process

1. The purpose of the Sale Process is to maximize value for the Brampton Property. The Receiver has engaged Intercity, subject to Court approval of its listing agreement. Intercity is familiar with the Brampton Property as it has marketed the property for over two years. Because Intercity is familiar with the Brampton Property, it is able to immediately commence the Sale Process.
2. The listing agreement contemplates a work fee of \$75,000 payable to Intercity. Intercity will also be entitled to a commission of 2.5% of any sale proceeds that exceed \$16.5 million. Any cooperating fees payable would be paid by the purchaser, other than if the purchaser is 265, in which case there is no cooperating fee payable. The work fee will be payable regardless of the outcome of the Sale Process. Absent this provision, it is unlikely that Intercity, or any realtor, would invest the time and effort required to properly market the Brampton Property.

3. A summary of the proposed Sale Process is as follows:

Summary of Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due diligence	➤ Intercity to review all available documents concerning the Brampton Property.	Week 1 – 2.5
Finalize marketing materials	➤ Intercity and the Receiver to: <ul style="list-style-type: none"> ○ prepare a marketing brochure; ○ populate an online data room; ○ prepare a Confidentiality Agreement (“CA”); and ○ prepare a Confidential Information Memorandum (“CIM”). 	
Prospect Identification	➤ Intercity will qualify and prioritize prospects; ➤ Intercity will also have pre-marketing discussions with targeted prospects.	
<i>Phase 2 – Marketing</i>		
Stage 1	➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ offering summary and marketing materials printed; ○ telephone and email canvass of leading prospects; and ○ meet with and interview bidders. ➤ Intercity to provide detailed information to qualified prospects which sign the CA, including the CIM and access to the data room; ➤ Intercity to facilitate diligence by interested parties;	Week 2.5 – 5
Stage 2	➤ Bid deadline – in order to submit an offer, a prospective purchaser must submit a “Qualified Bid” (as discussed in section 4.3 below)	On January 18, 2019
<i>Phase 3 – Auction and Closing</i>		
Auction	➤ An Auction will be held in a manner consistent with the Bidding Procedures set out below.	Within five (5) business days of Bid Deadline
Selection of Successful Bids	➤ Select successful bidder	
Sale Approval Motion and Closing	➤ Motion for sale approval and close transaction.	Within ten (10) days of Auction

4.2 Bidding Procedures³

1. The Bidding Procedures are attached as Appendix “D”. The Bidding Procedures are summarized below.

³ Capitalized terms in this section have the meaning provided to them in the Bidding Procedures unless otherwise defined herein.

4.3 Qualified Bids

1. To be a "Qualified Bid", a bid must meet the following requirements:
 - a) a cash purchase price equal to or greater than \$16.75 million, being the value of the Stalking Horse Bid (\$16.5 million), plus an initial bid increment of \$250,000;
 - b) a provision stating that the bidder's offer is irrevocably open for acceptance until the first business day following completion of the transaction;
 - c) disclosure of the identity of each entity, including its ultimate shareholders and/or sponsors, that will be bidding for the Brampton Property;
 - d) written evidence of a firm, irrevocable commitment for financing;
 - e) written evidence of authorization and approval from the bidder's board of directors, or comparable governing body, with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
 - f) an acknowledgment and representations of the bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Brampton Property prior to making its bid; (ii) it has relied solely upon its own independent review in making its bid; and (iii) it did not rely upon any statements regarding the Brampton Property or the completeness of any information provided in connection therewith, except as expressly stated in a definitive agreement signed by the Receiver and approved by the Court;
 - g) an executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting variations from the Stalking Horse Agreement;
 - h) a cash deposit in the amount of 15% of the purchase price; and
 - i) the offer is received by the Bid Deadline.
2. For greater certainty, 265, as the stalking horse, is a Qualified Bidder. It is the only party capable of making a credit bid.

4.4 Resubmission Procedures

1. If no Qualified Bids are submitted by the Bid Deadline, 265 will be the Successful Bidder.
2. If one or more Qualified Bids are received by the Bid Deadline:
 - a) the Receiver will advise all Qualified Bidders of the best offer (the "Leading Bid") and invite all Qualified Bidders (including 265) to an Auction on a date that is not more than five business days following the Bid Deadline;

- b) the Receiver will provide all Qualified Bidders with a copy of the Leading Bid two Business Days before the Auction;
- c) the Receiver may request that Qualified Bidders re-submit offers in as many rounds of bidding as the Receiver considers appropriate to maximize value. In each round of bidding, the Receiver will advise the Qualified Bidders of the material terms of the then best bid. The Receiver shall be entitled to establish any minimum bid increment in each round of bidding;
- d) If at the end of any round of bidding, a Qualified Bidder has elected not to submit a further bid, then such Qualified Bidder shall not be entitled to participate in subsequent rounds of bidding;
- e) If only one Qualified Bid is submitted after a round of offers, then that Qualified Bid shall be the Successful Bidder; and
- f) If the Successful Bid is approved by Court and does not Close pursuant to the date required by the Successful Bid, the Receiver can select any other bid to be the Successful Bid.

4.5 Sale Process Recommendation

1. The Receiver recommends that the Court issue an order approving the Stalking Horse Agreement and the Sale Process for the following reasons:
 - a) the Sale Process is commercially reasonable;
 - b) the value of the Stalking Horse Agreement is supported by the Appraisal;
 - c) there are no bid protections payable to 265, which should assist to make the process more competitive;
 - d) Intercity is familiar with the Brampton Property and can commence the Sale Process immediately – its familiarity will also assist it to canvass parties who previously may have had an interest in the property;
 - e) the Bidding Procedures allow a market test for the benefit of all stakeholders and provide an opportunity to complete a transaction with greater value than the Stalking Horse Agreement; and
 - f) the duration of the Sale Process is sufficient in these circumstances as the Brampton Property has been available for sale since July 2016 and no offers have been accepted, other than the offer from 265.

5.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Court make an Order granting the relief detailed in Section 1.1(1)(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Kofman Inc

**KSV KOFMAN INC.,
SOLELY IN ITS CAPACITY AS RECEIVER AND MANAGER OF
10338083 ONTARIO INC., 1087507 ONTARIO LIMITED
AND CERTAIN OTHER PROPERTY
AND NOT IN ITS PERSONAL CAPACITY**

Appendix "A"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

)

MONDAY, THE 19TH

JUSTICE HAINEY

)

DAY OF NOVEMBER, 2018

)

BETWEEN

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

- and -

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents



IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED;
AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43,
AS AMENDED

ORDER
(Appointing Receiver)

THIS APPLICATION made by Bridging Finance Inc. (the “**Applicant**”), as agent for 2665405 Ontario Inc., for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. operating as Forma-Con Construction and Forma Finishing (“**Forma-Con**”) and 1087507 Ontario Limited (together with Forma-Con, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, (ii) the specific assets of Bondfield

Construction Company Limited and Bondfield Construction Equipment Ltd. listed on Schedule A hereto (the “**Forma-Con Related Assets**”), and (iii) the real property known municipally as 131 Saramia Crescent in Vaughan, Ontario (“**131 Saramia Crescent**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Brian Champ sworn November 15, 2018, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Debtors and their affiliates, Zurich Insurance Company Ltd. and Canada Revenue Agency, no one else appearing although duly served as appears from the affidavit of service of Loren Cohen sworn November 15, 2018, and on reading the consent of KSV to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of: (i) all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof; (ii) the Forma-Con Related Assets; and (iii) 131 Saramia Crescent, the details of which are specified on Schedule B hereto (collectively, the “**Property**”).

RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of any Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of a Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors or in respect of the Property and to exercise all remedies of a Debtor or the owner of the Property in collecting such monies, including, without limitation, to enforce any security held by a Debtor or in respect of Property;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of a Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors (or any one of them), the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to file an assignment in bankruptcy on behalf of any Debtor, or to consent to the making of a bankruptcy order against a Debtor;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records,

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

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

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured

creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on a Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such

amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

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

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List

website) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.ksvadvisory.com/insolvency-cases/Forma-Con>.

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

CRITICAL PAYMENTS

27. **THIS COURT ORDERS** that the Receiver may, with the written consent of the Applicant, make payments owing by the Debtors to subcontractors and other creditors on account of amounts owing prior to the date of this Order.

GENERAL

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

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

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make

such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

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

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

34. **THIS COURT ORDERS** that the style of cause for this Application be and is hereby amended as set forth in this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

NOV 19 2018

PER / PAR:


HAYNEY J.

SCHEDULE A
FORMA-CON RELATED ASSETS
[ATTACHED]

Forma - Con Construction; Crane location log Sep. 10, 2018

MAKE	MODEL	YEAR	SERIAL #	CURRENT LOCATION
Comedil	CTL160-A Luffar	2006	SN-G8705022	WATERWORKS
Comedil	CTL160-A Luffar	2006	SN-G8705030	MASSEY TOWER
Comedil	CTL160-A Luffar	2006	SN-G8705041	CITY LIGHTS
Comedil	CTL160-A Luffar	2007	SN-G8707026	CITY LIGHTS
Comedil	CTL160-A Luffar	2007	SN-G8707050	AXIS CONDO
Comedil	CTL250-A Luffar	2005	SN-G1005004	YC CONDO
Comedil	CTL250-A Luffar	2006	SN-G1006005	21 AVENUE ROAD
Comedil	CTT 331-16-m	2005	SN-G5905001	DTEM C&D
Comedil	CTT 331-16-m	2005	SN-G5905026	WATERLOO SLC-PAC
Comedil	CTT 331-16-m	2005	SN-G5905049	YARD
Comedil	CTT 331-16-m	2005	SN-G5905034	Mills-Square
Pecco	PC 1600		SN-0710	EAST UNIFIED
Pecco	PC 1600/2000	1976	SN-0603	VANGUARD
Pecco	PC-2000		SN-0907	YARD
Pecco	PC 2000		SN-1103	YARD
Pecco	PC 3000		SN-0107	BLUEDIAMOND
Pecco	PC 3600	1980	SN-304	Yard
Palmer	SK-200	1981	SN-0603	YARD
Palmer	SK-140		SN-1515	YARD
Palmer	SK-315	2004	SN-25125	YARD
Palmer	SK-315	2004	SN-25127	RENTED
Palmer	SK-315	1999	SN-105	YARD
Palmer	SK-315	2005	SN-25143	St Josephs Morrow
Palmer	SK-315	2000	SN-060	YARD
Palmer	SK-415	2004	SN-26023	YARD
Palmer	SN 165 Luffing	1999	SN-006	571 Prince Edward
Potain	MR405 Luffing	1999	SN-87089	WATERWORKS
Manitowoc	8000 - CRAWLER	2007	SN-8501037	VISTA CONDO
Manitowoc	8000 - CRAWLER	2011	SN-8501202	ST JOSEPH MORROW
Grove	RE540E MOBILE	2011	SN-231527	ST JOSEPH MORROW
Grove	RT540E MOBILE	2011	SN-227164	Massey Hall
Grove	RT745 TON		SN-70173	Yard
ushun	GU786A	2007	SN-1120	Yard

Sold

32 Cranes
32

SECURITY DOCUMENTS FROM COMPANY LIBRARY

Company	Security Document Title	Year	Form	File No.	Index / Description	Additional Information	Accession No.	Location
1001	Broadband Communications Co. Ltd.	2007	Share (Private)	20173	General - Broadband Communications Co. Ltd.			Warren College PHA
1002	Broadband Communications Co. Ltd.	2007	Share (Public)	057107	General - Broadband Communications Co. Ltd.			Warren College PHA
1003	Broadband Communications Co. Ltd.	2011	Share (Private)	070122	General - Broadband Communications Co. Ltd.			Lancaster University
1004	Broadband Communications Co. Ltd.	2011	Share (Public)	201227	General - Broadband Communications Co. Ltd.			TTO Sidney
1005	Broadband Communications Co. Ltd.	2011	Share (Private)	227164	General - Broadband Communications Co. Ltd.			TTO Sidney
1006	Broadband Communications Co. Ltd.	2009	Share (Private)	01802549	General - Broadband Communications Co. Ltd.			Capitol Chapter
1007	Broadband Communications Co. Ltd.	2009	Share (Public)	01902847	General - Broadband Communications Co. Ltd.			University of Waterloo
1008	Broadband Communications Co. Ltd.	2009	Share (Private)	01903025	General - Broadband Communications Co. Ltd.			TTO Sidney
1009	Broadband Communications Co. Ltd.	2009	Share (Private)	01903801	General - Broadband Communications Co. Ltd.			118-Deverport
1010	Broadband Communications Co. Ltd.	2012	Share (Public)	201225	General - Broadband Communications Co. Ltd.			REFORM
1011	Broadband Communications Co. Ltd.	2010	Share (Private)	01903054	General - Broadband Communications Co. Ltd.			Nicosi Capitalmarket
1012	Broadband Communications Co. Ltd.	2010	Share (Public)	01903803	General - Broadband Communications Co. Ltd.			University of Guelph
1013	Broadband Communications Co. Ltd.	2010	Share (Private)	01903803	General - Broadband Communications Co. Ltd.			Macquarie University
1014	Broadband Communications Co. Ltd.	2010	Share (Public)	01903803	General - Broadband Communications Co. Ltd.			CA Constancebank
1015	Broadband Communications Co. Ltd.	2010	Share (Private)	01903803	General - Broadband Communications Co. Ltd.			117 Pitt Street

STANDARD CONTRACT COPY AVAILABLE

Contract No.	Contract Description	Contract Value	Contract Type	Contract Start Date	Contract End Date	Contract Status	Contract Location	Contract Agency
12	Standard Contract Co. Ltd.	2004	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park
13	Standard Contract Co. Ltd.	1000	Other (Other)		09-04-05		Wentworth College Park	Wentworth College Park
14	Standard Contract Co. Ltd.	2000	Other (Other)		27-04-04		Wentworth College Park	Wentworth College Park
15	Standard Contract Co. Ltd.	2000	Other (Other)		11-04-12		Wentworth College Park	Wentworth College Park
16	Standard Contract Co. Ltd.	1000	Other (Other)		11-04-12		Wentworth College Park	Wentworth College Park
17	Standard Contract Co. Ltd.	1000	Other (Other)		11-04-12		Wentworth College Park	Wentworth College Park
18	Standard Contract Co. Ltd.	1000	Other (Other)		11-04-12		Wentworth College Park	Wentworth College Park
19	Standard Contract Co. Ltd.	2000	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park
20	Standard Contract Co. Ltd.	1000	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park
21	Standard Contract Co. Ltd.	2000	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park
22	Standard Contract Co. Ltd.	2000	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park
23	Standard Contract Co. Ltd.	2000	Other (Other)		20-04-04		Wentworth College Park	Wentworth College Park

CONTRACTS UNDER REVIEW

Contract No.	Contract Name	Contract Type	Contract Value	Contract Status	Contract Description	Contract Dates	Contract Location
24	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
25	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
26	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
27	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
28	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
29	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO
30	Boonville Construction Co. Inc.	State (Public)	2005	Completed	Boonville Correctional Institute, 1500 N. Main Street, Boonville, MO. Construction of 150 beds, including kitchen, laundry, and other facilities.	1/03-1/04	Boonville, MO

BONDFIELD CONSTRUCTION COMPANY LIMITED
407 BASALTIC ROAD
CONCORD, ONTARIO, CANADA

Department Evaluation Summary

Effective Date: July 23, 2018

Departments:
Cranes - Basaltic Yard
Cranes - Off Site
Concrete Forming & Shoring Equipment



407 BASALTIC ROAD
 CONCORD, ONTARIO, CANADA

Description	
Cranes - Basaltic Yard	
Item #1	Qty: (1) Comedil Model CTL180-A 16-Ton Luffing Tower Crane, S/N G8708022, (2006); 55 Meter Radius, 92.5 Meter Under Hook; with (9) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #2	Qty: (1) Comedil Model CTT 331-18-M 16-Ton Tower Crane, S/N G5906031, (2005); 76 Meter Radius, 92.5 Meter Under Hook; with (12) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #3	Qty: (1) Comedil Model CTT 331-16-M 16-Ton Tower Crane, S/N G5906049, (2005); 75 Meter Radius, 92.5 Meter Under Hook; with (12) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #4	Qty: (1) Peeco Model PC-2000 22,000-Lb. Tower Crane, S/N 1103; 60 Meter Radius, 48 Meter Under Hook; with (7) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #5	Qty: (1) Pelner Model SK-200 6.25-Ton Tower Crane, S/N 0803, (1981); 55 Meter Radius, 48 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #6	Qty: (1) Pelner Model SK-140 6.25-Ton Tower Crane, S/N 0515; 55 Meter Radius, 48 Meter Under Hook; with (6) Tower Sections; (3) Outer Sections; and Apex Jib Section
Item #7	Qty: (1) Pelner Model SK-315 16-Ton Tower Crane, S/N 26125, (2004); 70 Meter Radius, 72 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams
Item #8	Qty: (1) Pelner Model SK-315 16-Ton Tower Crane, S/N 105, (1999); 70 Meter Radius, 72 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams

Description			
Item #9	Qty: (1) Peiner Model SK-315 16-Ton Tower Crane, S/N 060, (2000); 70 Meter Radius, 72 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams		
Item #10	Qty: (1) Peiner Model SK-415 20-Ton Tower Crane, S/N 25078, (2004); 75 Meter Radius, 65 Meter Under Hook; with (11) Tower Sections, (5) Top Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams		
Item #11	Qty: (1) Grove Model RT745-45-Ton Wheel Rough Terrain Crane, S/N 70173, (1988); with Outriggers; (New Engine 2015)		
Item #12	Qty: (1) Lot of Miscellaneous and Large Quantity of Tower Crane Parts and Components, To Include But Not Limited To; Beams; Adaptors; Brackets; Panels; Corner Units; Braces; Frames; Jacks; Extensions; Screws; Bases; Decks; Racks; Clips; Tube; Planks; Stairways; Hooks; Baskets; etc.		
TOTAL CRANES BASED AT YARD			
Cranes Off Site			
Item #13	Qty: (1) Comedil Model CTL180-A 16-Ton Luffing Tower Crane, S/N G8708030, (2008); 55 Meter Radius, 92.5 Meter Under Hook; with (9) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected) (Asset Documentation in Photograph Section)		
Item #14	Qty: (1) Comedil Model CTL180-A 16-Ton Luffing Tower Crane, S/N G8706011, (2005); 55 Meter Radius, 92.5 Meter Under Hook; with (9) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)		
Item #15	Qty: (1) Comedil Model CTL180-A 16-Ton Luffing Tower Crane, S/N G8707026, (2007); 55 Meter Radius, 92.5 Meter Under Hook; with (9) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)		

Description		
<p>Item #16 Qty: (1) Comedll Model CTL180-A 16-Ton Luffing Tower Crane, S/N G8707060, (2007); 65 Meter Radius, 92.5 Meter Under Hook; with (9) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #17 Qty: (1) Comedll Model CTL250-A 16-Ton Luffing Tower Crane, S/N G1005004, (2005); 55 Meter Radius, 92.5 Meter Under Hook; with (10) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #18 Qty: (1) Comedll Model CTL250-A 16-Ton Luffing Tower Crane, S/N G1008005, (2006); 55 Meter Radius; 92.5 Meter Under Hook; with (10) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #19 Qty: (1) Comedll Model CTT 331-16-M 16-Ton Tower Crane, S/N G5908001, (2005); 75 Meter Radius, 92.5 Meter Under Hook; with (12) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #20 Qty: (1) Comedll Model CTT 331-16-M 16-Ton Tower Crane, S/N G5905025, (2006); 75 Meter Radius, 92.5 Meter Under Hook; with (12) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #21 Qty: (1) Pecco Model PC-1600 22,000-Lb. Tower Crane, S/N 0710; 60 Meter Radius, 48 Meter Under Hook; with (7) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #22 Qty: (1) Pecco Model PC-1600/2000 (Hybrid) 22,000-Lb. Tower Crane, S/N 0603, (1978); 50 Meter Radius, 48 Meter Under Hook; with (7) Tower Sections; Apex & (4) Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams</p>		
<p>Item #23 Qty: (1) Pecco Model PC-2000 22,000-Lb. Tower Crane, S/N 0907; 50 Meter Radius, 48 Meter Under Hook; with (7) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams</p>		
<p>Item #24 Qty: (1) Pecco Model PC-3600 28,000-Lb. Tower Crane, S/N 304, (1980); 60 Meter Radius, 35 Meter Under Hook; with (7) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Hoist Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		

Description		
<p>Item #25 Qty: (1) Pecco Model PC-3000 22,000-Lb. Tower Crane, S/N 01077108; 55 Meter Radius, 42 Meter Under Hook; with (6) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Holst Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #26 Qty: (1) Pelnor Model SK-315 16-Ton Tower Crane, S/N 25127, (2004); 70 Meter Radius, 72 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Holst Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #27 Qty: (1) Pelnor Model SK-315 16-Ton Tower Crane, S/N 25148, (2005); 70 Meter Radius, 72 Meter Under Hook; with (11) Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Holst Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #28 Qty: (1) Pelnor Model SN168 12-Ton Luffing Tower Crane, S/N 006, (1999); 50 Meter Radius, 98 Meter Under Hook; with (4) Single, (1) Double Tower Sections; Apex & Jib Sections; Heated/AC Enclosed Operator's Cab; Turntable; Holst Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #29 Qty: (1) Potain Model MR405 24-Ton Luffing Tower Crane, S/N 87089-M, (1999); 60 Meter Radius, 125 Meter Under Hook; with (11) Tower Sections; Heel & Jib Sections; Heated/AC Enclosed Operator's Cab, (Broken Window); Turntable; Holst Winches; Hook Block; Trolley; Counterweights; and Climbing Beams; (Not Inspected)</p>		
<p>Item #30 Qty: (1) Manitowoc Model 8000 80-Ton Crawler Crane, S/N 8501037, (2007); (Not Inspected)</p>		
<p>Item #31 Qty: (1) Manitowoc Model 8000 80-Ton Crawler Crane, S/N 8501202, (2011); with Proface Touch Screen Monitor; Counter Weights; Model J60024RTC Hook, S/N 11-7238, 60-Ton Load, 7/8" Rope, 54.41 MT; and 150' Main Lattice Boom; (Not Inspected) (Asset Documentation In Photograph Section)</p>		
<p>Item #32 Qty: (1) Grove Model RT540E 40-Ton Rough Terrain Crane, S/N 231627, (2011); with 4-Section 102' Main Telescopic Boom; and 45' Swing Away Jib, with Stinger; (Not Inspected) (Asset Documentation In Photograph Section)</p>		
<p>Item #33 Qty: (1) Grove Model RT540E 40-Ton Rough Terrain Crane, S/N 227154, (2011); 12,569 Hours Indicated; with 4-Section 102' Main Telescopic Boom; and 45' Swing Away Jib, with Stinger</p>		

Description			
Item #34	Qty(1) Fushun Yongmao Model QUY80A 80-Ton Crawler Crane, S/N 1128, (2007); with LSI Load System Monitor		
Item #35	Qty(1) Grove Model RT86S 35-Ton Rough Terrain Crane, S/N 33378, (1975); 1,583.9 Hours Indicated; with 4-Section Telescopic Boom; (Not Inspected) (Asset Documentation in Photograph Section)		
Concrete Forming & Shoring Equipment			
Item #36	Qty(1) Lot of Concrete Forming & Shoring Rental Equipment; (Note: Based On Information Supplied By The Company; Complete Detailed List Located in Appendix)		

QTY	Year Make & Model or Equipment Description
20	2014 Ford F150 XLT Pickup truck
1	2013 Kenworth T800B Boom Truck with 30 Tonne Manitex Crane
1	2015 Kenworth T880B Roll-Off Truck
4	Roll-Off Deck for 2015 Kenwoth T880B Roll-Off Truck
1	2006 Kenworth T800 Roll-Off truck
4	Roll-Off Deck for 2006 Kenworth Roll-Off
1	2012 Milano 32 Ft Trailer (Accompanies 2013 Kenworth Boom Truck)
1	2015 JC 34 Ft Trailer (Accompanies 2015 Kenworth T880 Roll-Off
2	2015 Doosan C185 Diesel Compressor
3	2012 Cat 100 KW Diesel Generator
1	2010 Cat TH360B 10,000 lb Capacity Telehandler
1	2016 Putzmeister Thom-Katt TK60HP Shotcrete Pump-Trailer Mounted
15	Knaack Job Box 483Q complete with tools : skillsaws, rotary hammers, extension cords, impact guns , hand tools *(ALL USED)
5	20 Ft Storage Container
4	Mobile Office Trailer 8' x 16'

1	Schwing SP500 Concrete Pump Trailer Mounted
40	Used Concrete Buckets
4	Used Office furniture, filing cabinets, digitizer, computers
	Peri Mp480 Aluminum Multiprops for forming
	Peri MP350 Aluminum Multiprops for forming
	Peri Panels and Accessories for forming Value including Multiprops

① OK
 Schedule C

BONDFIELD CUSTOMER OWNED
 Material List at Current List Price
 Sep 6 2018

Mat Number	Mat Description	Quantity
SR10493	ALUMA ALUBOP TOP PLATE ADAPTER	260
SR11	BEAM ALUMA 18FT (5.49M)	2761
SR118	SOCKET POST ALUMINUM	200
SR12	BEAM ALUMA 16FT (4.88M)	3279
SR122	STRONGBACK CHANNEL 55K 2.59M 8FT	120
SR123	STRONGBACK CHANNEL 55K 3.31M 12FT	430
SR124	STRONGBACK CHANNEL 55K 4.88M 16FT	18
SR127	CHANNEL SPLICE STEEL	300
SR128	BAR STRONGBACK SPLICE	300
SR130	PLATE TIE (SK)	1600
SR131	BRACKET BOLTED CARWALK	200
SR138	SHOE STRONGBACK	200
SR14	BEAM ALUMA 14FT (4.27M)	4516
SR144	LOG WALL LIFTING ASSEMBLY	200
SR15	BEAM ALUMA 10FT 6IN (3.2M)	2035
SR16	BEAM ALUMA 12FT (3.66M)	3189
SR163	CHANNEL STRONGBACK 55K 0.88FT (2M)	400
SR17	BEAM ALUMA 21FT (6.40M)	3106
SR1801094	ORMA WALKWAY BRACKET	31
SR1870029	BEAM CC 2.32	1400
SR1870031	BEAM CC 1.57	660
SR1870040	TRANSVERSAL CC TE 0.75	200
SR1870045	TRANSVERSAL CC TR 1.5	712
SR1870050	TRANSVERSAL CC TR 0.75	220
SR1870080	HEAD CC FD	60
SR1870090	PANEL CC 1.5x0.75	3150
SR1870096	PANEL CC 0.75x0.75	180
SR1870105	BEAM CC W 1.5	272
SR1870150	BEAM CC W 0.75	130
SR1870165	PANEL CC 1.5x0.375	134
SR1870400	TRANSVERSAL CC TE 1.5 ALU	1521
SR1870405	TRANSVERSAL CC TE .75 ALUM	78
SR1870440	DROPHEAD SH	1446
SR1870462	EDGE BEAM 2.32	100
SR1870465	EDGE BEAM 1.57	55
SR1870500	UNIVERSAL HEAD CC (NEW STYLE)	120
SR1870516	SH PLY HEAD	937
SR1900002	PANEL 2.7x2.46 (6.01m2)	10
SR1900005	PANEL 2.7x1.2 (3.24m2)	10
SR1900008	PANEL 2.7x0.9 (2.43m2)	10
SR1900011	PANEL 2.7x0.6 (1.62m2)	6
SR1900010	PANEL 2.7x0.45 (1.21m2)	5
SR1900029	PANEL 2.7x0.38 (1.01m2)	5
SR1900032	PANEL 1.2x1.2 (1.44m2)	161
SR1900035	PANEL 1.2x0.9 (1.08m2)	161
SR1900038	PANEL 1.2x0.6 (0.72m2)	18
SR1900047	PANEL 1.2x0.45 (0.54m2)	8
SR1900056	PANEL 1.2x0.3 (0.36m2)	10
SR1900089	ORMA INSIDE CORNER 2.7	8
SR1900119	HEAD 60	60

(2) OK

SR1900123	PUSH-PULL PROP 2,4,3,5	60
SR1900134	PUSH-PULL PROP 1,1-1,7	60
SR1900144	PUSH ROLL PROP SHOE	60
SR1900178	ORMA CLAMP	600
SR1900179	ORMA LIFTING HOOK	16
SR1900193	ORMA WALER 0,9	90
SR1900217	COMPENSATION TUBE 1,2 (0,09 m ²)	18
SR1900445	ORMA WALER 1,55	50
SR1900448	WALER HOOK	260
SR1900532	ORMA OUTSIDE CORNER 2,7	8
SR1900768	PUSH-PULL PROP 3,3,4,8	30
SR1908247	PANEL 3,3x2,47 (2,2m ²)	40
SR1908251	PANEL 3,3x1,92 (3,96m ²)	20
SR1908253	PANEL 3,3x1,92 (2,97m ²)	40
SR1908256	PANEL 3,3x0,75 (2,475m ²)	25
SR1908259	PANEL 3,3x0,6 (1,98m ²)	30
SR1908262	PANEL 3,3x0,45 (1,485m ²)	20
SR1908265	PANEL 3,3x0,3 (0,99m ²)	20
SR1908271	ORMA INSIDE CORNER 3,3 (1,98m ²)	8
SR1908273	ORMA OUTSIDE CORNER 3,3	16
SR1908460	COMPENSATION TUBE 3,3	16
SR1908730	ORMA LIFTING BRACKET/CHAIN	2
SR1908770	N-ORMA RETRACTABLE CORNER 3,3	40
SR1908771	N-ORMA RETRACTABLE CORNER 2,7	8
SR1908772	N-ORMA RETRACTABLE CORNER 1,2	32
SR2049	BASKET WIRE W-GATE	1
SR2050	RACK LARGE 3 X 6	3
SR2054	RACK SMALL 3 X 3	17
SR215	FRAME ALUMA 6X6 18kip Nom/Leg ASM	920
SR216	FRAME ALUMA 6X5 18kip NOM/LEG ASM	1010
SR2196	BRACE 3H 4H X 7H SR	1600
SR2200	BRACE 6W X 4H	3000
SR2203	BRACE 4W X 4H	2150
SR2205	BRACE 4W X 2H	870
SR2211003	DOUBLE WR HEAD (TWO WAY)	280
SR2212	BRACE COMBINATION 7X4-7X2	1000
SR2213	BRACE 6W X 2H	470
SR2220010	ALUPROP 1,05-2,8	2320
SR2220020	ALUPROP 2,2-3,7	2113
SR2220030	ALUPROP 3,3-4,8	1800
SR2220090	UNIVERSAL TRIPOD CR4	35
SR2220120	BRACE FRAME 2,32m	652
SR2220125	BRACE FRAME 1,5m	638
SR2220130	BRACE FRAME 1,57m	228
SR2220140	BRACE FRAME 0,75m	203
SR239	L-HEAD 5' X 3'	12400
SR245	FRAME ALUMA ASSEMBLED 6X3	195
SR257	FRAME ALUMACS 4X4 10kip Nom/Leg	2275
SR258	FRAME ALUMACS 4X3 10kip Nom/Leg	2955
SR259	FRAME ALUMACS 4x3 10kip Nom/Leg	1852
JR251	CONNECTOR INTERFRAME ALUMACS	5000
SR265	PLATE BASE	10900
SR337	TRUSS JACK 12418 MOD MKII	600
SR352	TRUSS EXTENSION LEG INNER 6FT	600
SR369	TRUSS CROSS BRACE 7H (2.15m)	180

New

SR370	TRUSS CROSS BRACE 10ft (3.04M)	250	\$	105.00	\$	26,250.00
SR3991	RIVET	3388	\$	2.00	\$	6,776.00
SR4045	PIN HITCH	3388	\$	0.25	\$	847.00
SR4354	TRUSS JACK RETAINER	600	\$	6.00	\$	3,600.00
SR513	SCREWJACK UNIV, ALUMA FRAME	3000	\$	60.00	\$	180,000.00
SR5160	J HEAD FOR 1M JACK	60	\$	25.00	\$	1,500.00
SR521	SCREWJACK UNIV, ALUMACS FRAME	21364	\$	70.00	\$	1,495,480.00
SR60	ALUM DROPHEAD BEAM 10'6"(3.20M)	11	\$	262.00	\$	2,882.00
SR6161	HEAVY DUTY GALV. SHORE 6'6" TO 11'	6885	\$	155.00	\$	1,067,175.00
SR62	BEAM ALUMA 10FT (3.04M)	1200	\$	160.00	\$	192,000.00
SR6406	POST SHORE EXTENSION 2'	1064	\$	50.00	\$	53,200.00
SR7436	SCREWJACK 1M W/HANDLE MKII ASS'Y	188	\$	80.00	\$	15,040.00
SR7551	PLATE BASE FOR 1M SCREW	126	\$	16.00	\$	2,048.00
SR85	BEAM ALUMA 9FT (2.75M)	1812	\$	144.00	\$	260,928.00
SR9310	TRUSS W OUTER 30ft (9.14M) #6E	200	\$	3,098.00	\$	619,600.00
SR9317	ALUMA DEK RACK	1	\$	472.00	\$	472.00
SR9361	4'X5' ALUMACS FRAME	1000	\$	319.00	\$	319,000.00
SR9466	1M BASEPLATE SCREWJACK MARK II ASS'Y	2782	\$	118.00	\$	328,276.00
SR9467	1M JHEAD SCREWJACK MARK II ASS'Y	2850	\$	119.00	\$	339,150.00
SRALT16	16' ALUMINUM TUBE	8	\$	78.30	\$	626.40
SRALT4	4' ALUMINUM TUBE	185	\$	19.60	\$	3,626.00
SRB104	CROSS BRACE 10X4	1800	\$	42.80	\$	77,040.00
SRBCSSV	BEAM CLIP SCAF SPEC V C/W BT	11	\$	6.50	\$	71.50
SRBP1	BASE PLATE (FIXED)	18	\$	16.20	\$	291.60
SRC8R	8" RUBBER WHEEL CASTER	4	\$	215.00	\$	860.00
SRK870001	ADJUSTABLE CC HEAD (3 WAY)	10	\$	151.00	\$	1,510.00
SRK870002	PANEL PALLET CC4 LARGE (5'X8'X7.25')	30	\$	1,040.00	\$	31,200.00
SRLVAC-S	LAYER ADAPTER SWIVEL	181	\$	53.80	\$	9,737.80
SRRACW	RIGHT ANGLE WEDGE CLAMP 2" X 2"	11	\$	21.50	\$	236.50
SRSJB	SCREWJACK W/BASEPLATE 24"	34	\$	42.70	\$	1,451.80
SRLB10	SURELOCK BRACE 10FT (3.05M)	22	\$	96.75	\$	2,128.50
SRLB7	SURELOCK BRACE 7' (2.13M)	175	\$	81.38	\$	14,241.50
SRLBC	SURELOCK BASE COLLAR	45	\$	24.83	\$	1,117.35
SRLDH10	SURELOCK DBL LEDGER 10FT 3.05M	2	\$	154.05	\$	308.10
SRLH10	SURELOCK LEDGER 10FT (3.05M)	17	\$	77.83	\$	1,323.11
SRLH22	SURELOCK LEDGER 2FT 2 (0.65M)	3	\$	37.41	\$	112.23
SRLH310	SURELOCK LEDGER 3FT 10 (1.15M)	280	\$	44.72	\$	12,521.60
SRLH36	SURELOCK LEDGER STRWY 3FT61.07M	72	\$	63.32	\$	4,559.04
SRLH52	SURELOCK LEDGER 5FT 2IN(1.57M)	10	\$	51.60	\$	516.00
SRLH70	SURELOCK LEDGER 7FT (2.13M)	480	\$	60.63	\$	29,102.40
SRLSB2B	SURELOCK SIDE BRKT 21IN(0.65M)	2	\$	77.08	\$	154.16
SRLSB3B	SURELOCK SIDE BRKT 3 BRD .81M	1	\$	150.50	\$	150.50
SRLSP70	PLANK STEEL(SPII)7' 2.13M W/HR	89	\$	109.11	\$	9,710.79
SRLSS70	STAIRWAY STRINGER 7FT (2.13M)M	69	\$	477.84	\$	32,970.96
SRLST	TREAD STAIR SCAFD. 8 X 3 MK3	253	\$	69.88	\$	17,679.64
SRLVP33	SURELOCK STANDARD 3FT 3IN(1M)	26	\$	42.25	\$	1,098.50
SRLVP411	SURELOCK STANDARD 4FT 11 1.5M	30	\$	57.73	\$	1,731.90
SRLVP67	SURELOCK STANDARD 6FT 7IN(2M)	58	\$	71.08	\$	4,121.48
SRLVP810	SURELOCK STANDARD 8FT 10IN(3M)	201	\$	106.32	\$	21,370.32
SRSSP10	10' STL/PLANK GALVW/HOOKS	12	\$	138.40	\$	1,660.80
SRSSP5	5' STL/PLANK GALV.W/HOOKS	5	\$	86.30	\$	431.50
SRSSP7	7' STL/PLANK GALV.W/HOOKS	80	\$	108.00	\$	8,640.00
SRSSRS	SYSTEM RACK SMALL	5	\$	411.80	\$	2,059.00
SRSSX562	GOOSER 10'	6	\$	-	\$	-
SRU043006	METAL BASKET 4'X3'X2'	20	\$	307.00	\$	6,140.00

AS OF 01/01/2018

Summary ReQuest Report

Vendor: Vando-10643

Material # Description

Quantity

Vendor: 15201- TORONTO CO

Vendor Number: 10643- BONDHILL CONSP CO LTD

PO Number: 81520-6634

Material #	Description	Quantity
SR1001	ALUMA ALPHACON FLOOR ADAPTER	280
SR11	BEAM ALUMA NET (64MM)	2781
SR1437	GUARDRAIL POST 26MM W/HELD CLIP	3
SR119	SOCKET POST ALUMINUM	200
SR12	BEAM ALUMA NET (64MM)	2779
SR123	STRONGBACK CHANNEL 65X100MM	120
SR123	STRONGBACK CHANNEL 65X100MM	430
SR124	STRONGBACK CHANNEL 65X100MM	78
SR124	STRONGBACK BRIDGE CHANNEL	0
SR127	CHANNEL BRIDGE STEEL	800
SR128	BAS STRONGBACK BRIDGE	800
SR130	PLATE TIE BAR	1600
SR131	BRACKET BOLTER CATWALK	200
SR136	SHOE STRONGBACK	200
SR14	BEAM ALUMA NET (62MM)	4511
SR144	TUG WALK LIFTING ASSEMBLY	200
SR15	BEAM ALUMA NET (62MM)	2035
SR16	BEAM ALUMA NET (62MM)	1185
SR163	CHANNEL STRONGBACK 65X100MM	400
SR17	BEAM ALUMA NET (60MM)	8108
SR181004	ORNA WALKWAY BRACKET	31
SR187020	BEAM CC 152	1400
SR187021	BEAM CC 157	850
SR187032	TRANSVERSAL CC TR 15	0
SR187040	TRANSVERSAL CC TR 15	280
SR187045	TRANSVERSAL CC TR 15	712
SR187050	TRANSVERSAL CC TR 15	220
SR187051	DROP HEAD CC	0
SR187060	HEAD CC ED	88
SR187090	PANEL CC 15X0.75	3450
SR187095	PANEL CC 15X0.75	188
SR187100	BEAM CC 152	272
SR187150	BEAM CC 150.75	130
SR187160	DROP HEAD CC	0
SR187195	PANEL CC 15X0.75	194
SR187040	TRANSVERSAL CC TR 15 ALUM	1524
SR187040	TRANSVERSAL CC TR 15 ALUM	78
SR187040	DROP HEAD SH	148

As of 8/10/06

Summary Report

Particulars Vendor 10682

Material #	Description	Quantity
SR100000	EDGE BEAM 2 1/2"	100
SR100001	EDGE BEAM 1 1/2"	50
SR100002	UNIVERSAL HEAD (CORNERS)	120
SR100003	SEAT HEAD	207
SR100004	PANEL 27' x 4' (6.4m x 1.2m)	10
SR100005	PANEL 27' x 2' (6.4m x 0.6m)	10
SR100006	PANEL 27' x 0.5' (6.4m x 0.15m)	10
SR100007	PANEL 27' x 0.25' (6.4m x 0.075m)	5
SR100008	PANEL 27' x 0.125' (6.4m x 0.0375m)	5
SR100009	PANEL 27' x 0.0625' (6.4m x 0.01875m)	5
SR100010	PANEL 12' x 0' (3.0m x 0m)	18
SR100011	PANEL 7' x 0' (1.8m x 0m)	10
SR100012	PANEL 1' x 0' (0.3m x 0m)	18
SR100013	PANEL 1' x 0' (0.3m x 0m)	8
SR100014	PANEL 1' x 0' (0.3m x 0m)	10
SR100015	PANEL 1' x 0' (0.3m x 0m)	10
SR100016	OHMA INSIDE CORNER 2 1/2"	8
SR100017	HEAD 10	60
SR100018	PUSH PULL PROP 2 1/2"	60
SR100019	PUSH PULL PROP 1 1/2"	60
SR100020	PUSH PULL PROP 3/4"	160
SR100021	OHMA CLAMP	600
SR100022	OHMA BEARING HOOK	10
SR100023	OHMA WALE 1 1/2"	80
SR100024	COMPENSATION TUBE 1 1/2" (0.38m)	16
SR100025	OHMA WALE 1 1/2"	20
SR100026	WALE HOOK	260
SR100027	OHMA OUTSIDE CORNER 2 1/2"	8
SR100028	PUSH PULL PROP 2 1/2"	30
SR100029	PANEL 27' x 2' (6.4m x 0.6m)	40
SR100030	PANEL 27' x 1' (6.4m x 0.3m)	40
SR100031	PANEL 27' x 0.5' (6.4m x 0.15m)	25
SR100032	PANEL 27' x 0.25' (6.4m x 0.075m)	20
SR100033	PANEL 27' x 0.125' (6.4m x 0.0375m)	20
SR100034	PANEL 27' x 0.0625' (6.4m x 0.01875m)	5
SR100035	OHMA INSIDE CORNER 2 1/2"	10
SR100036	OHMA OUTSIDE CORNER 2 1/2"	10
SR100037	OHMA RETRACTABLE CORNER 3 1/2"	0
SR100038	OHMA RETRACTABLE CORNER 2 1/2"	0
SR100039	COMPENSATION TUBE 3/4"	16
SR100040	OHMA UTILITY BRACKET OHMA	2
SR100041	OHMA RETRACTABLE CORNER 3 1/2"	40
SR100042	OHMA RETRACTABLE CORNER 2 1/2"	8

As of 10/20/86

Summary ReRent Report

Parameters Valid: 10692

Material	Description	Quantity
SR10072	NORMA BETH STABLE CORNER 1/2	32
SR2049	BARNET WIRE WASTE	9
SR2050	JACK LARGE 4 X 6	41
SR2051	JACK MIDDLE 3 X 3	920
SR215	FRAME ALUMA 60' 10" H X 10' 0" W	1010
SR216	FRAME ALUMA 60' 10" H X 10' 0" W	1600
SR2186	BRACE 4W X 4H	5000
SR2200	BRACE 4W X 4H	2150
SR2203	BRACE 4W X 4H	275
SR2204	BRACE 4W X 2H	280
SR221003	DOUBLE TIE HEAD (TWO WAYS)	1000
SR2212	BRACE COMBINATION 2X2 X 2	475
SR2213	BRACE 4W X 2H	2120
SR2220010	ALUPHOP 1 1/2 X 2 1/2	2113
SR2220020	ALUPHOP 2 1/2 X 3 1/2	1000
SR2220030	ALUPHOP 3 1/2 X 4 1/2	33
SR2220000	UNIVERSAL TIE ROD CDA	652
SR222010	BRACE FRAME 10m	230
SR222012	BRACE FRAME 10m	220
SR222013	BRACE FRAME 10m	204
SR222014	BRACE FRAME 10m	1040
SR259	HEAD OF CA	195
SR257	FRAME ALUMA ASSEMBLED 60'	2274
SR257	FRAME ALUMACS 60' 10" H X 10' 0" W	2454
SR258	FRAME ALUMACS 40' 10" H X 10' 0" W	1652
SR259	FRAME ALUMACS 40' 10" H X 10' 0" W	5000
SR261	CONNECTOR INTER FRAME ALUMACS	1000
SR265	BEAT BASE	500
SR267	TRUSS JACK 12" H X 6" W X 10" L	500
SR268	TRUSS TENSION LEG 10" H X 10" W	160
SR269	TRUSS CROSS BRACE 10" H X 10" W	250
SR270	TRUSS CROSS BRACE 10" H X 10" W	2388
SR3001	RIVET	2350
SR4001	PIN BUTCH	1600
SR4501	TRUSS JACK RETAINER	5000
SR4513	SCREW JACK LINY ALUMACS FRAME	60
SR45160	HEAD FOR 10" JACK	21384
SR4521	SCREW JACK LINY ALUMACS FRAME	4
SR460	ALUMINUM HEAD BEAM 10" H X 10" W	600
SR461	HEAVY DUTY GALV SHORE BR TO 11'	1200
SR462	BEAM ALUMA 10" H X 10" W	1000
SR4109	PORT SHORE EXTENSION 2'	100
SR7438	SCREW JACK 10" W HANDLE MOUNT ASSEMBLY	100

As of 8/20/10

Summary Report

Particulars Vendor: 108812

Material	Description	Quantity
SR7561	PLATE BASE FOR IM SCREW	125
SR7563	PRIMARY DECK BEAM 6	0
SR7565	PRIMARY DECK BEAM 8	0
SR7567	PRIMARY DECK BEAM 8	0
SR7569	DOOR HEAD DECK PANEL	0
SR7567	DECK CLICK BRACE FRAME 5	0
SR7568	DECK CLICK BRACE FRAME 11	0
SR7569	SECONDARY BEAM 4 ALUMINA DEK	0
SR7571	SECONDARY BEAM 4 ALUMINA DEK	0
SR7565	BEAM 200MM SET 10 75M	1512
SR7570	TRUSS W DETAIL FOR 10 75M 10F	200
SR7577	ALUMINA DECK FRAM	1
SR7561	4X4 ALUMINA SET FRAM	1000
SR7566	IM BASE PLATE SCREW JACK MARK MASSY	2752
SR7567	IM JET IN SCREW JACK MARK MASSY	2850
SR7574	16 ALUMINUM TUBE	8
SR7574	4 ALUMINUM TUBE	189
SR7576	6 ALUMINUM TUBE	0
SR7574	CROSS BRACE 10X4	1800
SR7574	CROSS BRACE 7X4	0
SR7565V	BEAM FOR BOAT SPEC V COW BY	15
SR7561	BASE PLATE (RIGID)	10
SR7561	8 ROBERT WHEEL CARTER	4
SR757001	ADJUSTABLE HEAD SWAY	10
SR757002	PANEL PALLET COIL LARGE (5X10X25)	30
SR75631	LAVINER ADAPTER SWIVEL	101
SR7565V	RIGHT ANGLE WEDGE CLAMP 2X2	11
SR7570	SCREW JACK W/BASE PLATE 24	54
SR7570	SURELOCK SCREW JACK SWIVEL BASE	2
SR7570	SURELOCK BRACE 10FT (3.05M)	22
SR7570	SURELOCK BRACE 5X11.5M	11
SR7570	SURELOCK BRACE 2 1/2 10M	101
SR7570	SURELOCK BRACE COLLAR	45
SR75710	SURELOCK LEDGER 10FT (3.05M)	2
SR75710	SURELOCK LEDGER 10FT (3.05M)	17
SR75712	SURELOCK LEDGER 2FT (0.61M)	3
SR75710	SURELOCK LEDGER SET 10FT (3.05M)	280
SR75710	SURELOCK LEDGER SHAWY 3FT (0.91M)	72
SR75712	SURELOCK LEDGER SET 2M (6.7M)	10
SR75710	SURELOCK LEDGER 10FT (3.05M)	100
SR75710	SURELOCK LEDGER 10FT (3.05M)	2
SR75710	SURELOCK LEDGER 10FT (3.05M)	1
SR75710	PLANK STEEL (50M) 475M W/FR	89

of 01102010

Summary Report

Parameters: Vendor: 10000

Material #	Description	Quantity
80LS970	STAIRWAY STRINGER 7x12 (2750)	69
80LS971	TREAD STAIR SCAFF 2x12 (100)	253
80LS973	SURE LOCK STANDARD 8FT (11M)	23
80LS974	SURE LOCK STANDARD 10FT (13M)	30
80LS977	SURE LOCK STANDARD 12FT (15M)	10
80LS970	SURE LOCK STANDARD 8FT (11M)	201
80LS970	10 STAIR ANGLE W/LOCKS	12
80SS976	8 STAIR W/ GALV W/LOCKS	5
80SS977	7 STAIR ANGLE W/LOCKS	60
80SS978	SYSTEM RACK SMALL	5
80SS979	STAIR SECTION 800# STEEL	10
80SS982	BOOSER 10	8
80D18008	METAL BARREL 4x8x32	20
PO Total:		145346
Vendor Total:		145346
Kali Total:		145346
Report Total:		145346

SCHEDULE B

SARAMIA CRESCENT PROPERTY DETAILS

PIN: 03276 - 0174 LT

Description: PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331; S/T LT579695
VAUGHAN

Address: 131 Saramia Crescent, Vaughan, Ontario

SCHEDULE C

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

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

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ____ day of _____, 20__.

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

Per: _____

Name:

Title:

**BRIDGING FINANCE INC., as
agent for 2665405 ONTARIO INC.**

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Court File No.: CV-18-608978-00CL

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(Receivership Application)**

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190F)
Christopher G. Armstrong (LSO#: 55148B)

Tel: 416.979.2211
Fax: 416.979.1234

Lawyers for the Applicant

Appendix "B"

TERMINATION AGREEMENT

This Termination Agreement dated as of December 6, 2018 (the "**Termination Agreement**") between KSV Kofman Inc. solely in its capacity as receiver (the "**Receiver**") of 1033803 Ontario Inc. and not in its personal or corporate capacity and 2657897 Ontario Inc. (the "**Purchaser**", together with the Receiver, the "**Parties**").

WHEREAS 1033803 Ontario Inc. (the "**Vendor**") and the Purchaser entered into an Agreement of Purchase and Sale dated as of October 4, 2018 (the "**APS**"), in respect of the Lands (as defined in the APS);

AND WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) issued on November 19, 2018 (the "**Receivership Order**"), the Receiver was appointed receiver of all of the assets, properties and undertakings of, *inter alia*, the Vendor, including the Lands;

AND WHEREAS the transaction contemplated by the APS had yet to close prior to the granting of the Receivership Order;

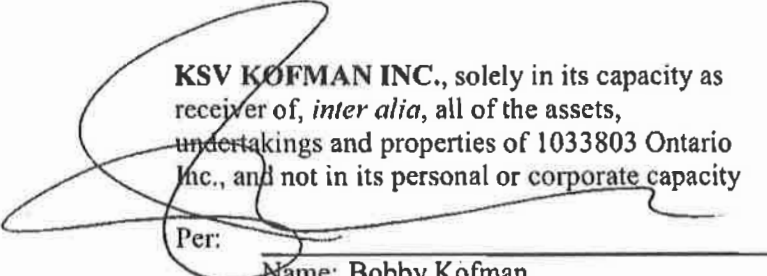
AND WHEREAS the Receiver is desirous of commencing a further marketing process for the Lands to ensure the highest and otherwise best offer for the Lands is obtained (the "**Sale Process**");

AND WHEREAS the Parties hereto desire to terminate the APS on the terms set forth herein and contemporaneously enter into a new agreement of purchase and sale for the Lands that will serve as the "stalking horse" bid in the Sale Process;

NOW THEREFORE, in consideration of the premises set forth above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

-
1. **Termination of APS.** The Receiver and Purchaser mutually agree that the APS is hereby terminated as of the date written above (the "**Termination Date**"). Notwithstanding any provision of the APS to the contrary, from and after the Termination Date, the APS will be of no further force or effect, and the rights and obligations of each of the Parties thereunder shall terminate in all respects.
 2. **Return of Deposit to Purchaser.** Immediately following the execution of this Termination Agreement, the Deposit (as defined in the APS) in the amount of \$260,000, plus any interest accrued thereon, shall be returned to the Purchaser in full and the parties agree that this Termination Agreement shall constitute an irrevocable instruction to the Purchaser's solicitors (Goodmans LLP) to pay the Deposit to the Purchaser.
 3. **Stalking Horse Agreement.** The Receiver and the Purchaser hereby agree to enter into the "stalking horse" purchase agreement for the Lands attached hereto as Exhibit "A".

IN WITNESS WHEREOF the Receiver and Purchaser have executed this Termination Agreement as of the date first written above.



KSV KOFMAN INC., solely in its capacity as receiver of, *inter alia*, all of the assets, undertakings and properties of 1033803 Ontario Inc., and not in its personal or corporate capacity

Per: _____

Name: Bobby Kofman

Title: President

2657897 ONTARIO INC.

Per: _____

Name: Natasha Sharpe

Title: President

EXHIBIT "A"
STALKING HORSE PURCHASE AGREEMENT

[Attached]

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of the 6th day of December, 2018,

BETWEEN:

KSV KOFMAN INC., in its capacity as Court-appointed receiver of all of the assets, undertakings and properties of 1033803 Ontario Inc., and not in its personal capacity

(in such capacity, the “**Receiver**”)

OF THE FIRST PART,

-and-

2657897 ONTARIO INC.

(the “**Purchaser**”)

OF THE SECOND PART.

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) issued on November 19, 2018 (the “**Receivership Order**”), the Receiver was appointed as receiver of, *inter alia*, all of the assets, undertakings and properties of 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing (“**Forma-Con**”);

AND WHEREAS the Receiver will seek the Bidding Procedures Order pursuant to which the Receiver will be authorized to enter into this Agreement and commence the sale process with respect to the Lands (as defined herein) in accordance with the Bidding Procedures (as defined herein);

AND WHEREAS the Purchaser has agreed: (i) to act as a “stalking horse bidder”, and (ii) to purchase the Lands in the absence of a superior bid to the transaction of purchase and sale contemplated in this Agreement pursuant to the Bidding Procedures;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree and declare as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

The terms defined herein shall have, for all purposes of this agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

“**2665405**” means 2665405 Ontario Inc.

“**Adjustment Date**” means 11:59 p.m. on the day preceding the Closing Date.

“**Adjustments**” means the adjustments to the Purchase Price provided for and determined pursuant to Sections 3.2 and 3.3.

“**Agreement**” means this agreement of purchase and sale and the schedules attached hereto, as amended from time to time; “**Article**”, “**Section**” and “**Subsection**” mean and refer to the specified article, section and subsection of this Agreement.

“**Alternative Transaction**” means a transaction pursuant to a bid made by a Person other than the Purchaser which is selected by the Receiver as the highest and best offer in accordance with the Bidding Procedures.

“**Approval and Vesting Order**” has the meaning set forth in Section 4.1(d).

“**Applicable Laws**” means all statutes, laws, by-laws, rules, regulations, ordinances, orders, judgments, decrees, decisions or other requirements having the force of law of Governmental Authorities having jurisdiction, whether federal, provincial, municipal or otherwise.

“**Auction**” has the meaning ascribed thereto in Section 8.2(a).

“**BCCL**” means Bondfield Construction Company Limited.

“**Bidding Procedures**” means the bidding procedures attached as Schedule C.

“**Bidding Procedures Order**” has the meaning set out in Section 8.1.

“**Bridging**” means Bridging Finance Inc., as agent under the Credit Agreement.

“**Business Day**” means any day, other than a Saturday, Sunday or legal holiday in Toronto, Ontario.

“**Cash Proceeds**” has the meaning ascribed to such term in Section 3.1.

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceedings relating to any of the foregoing, related to Forma-Con or the Lands, and “**Claim**” means any one of them.

“**Closing**” means the successful closing and consummation of the Transaction.

“**Closing Date**” means 10:00 a.m. (Toronto time) on the day that is which is three (3) Business Days after issuance of the Approval and Vesting Order.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Closing Documents**” means, collectively, the agreements, instruments and other documents to be delivered by the Receiver to the Purchaser pursuant to Section 5.1 and the agreements, instruments and other documents to be delivered by the Purchaser to the Receiver pursuant to Section 5.2.

“**Confidential Information**” has the meaning ascribed thereto in Section 2.4.

“**Credit Agreement**” means that certain credit agreement letter dated as of July 24, 2017 between BCCL and Bridging, as agent for certain lenders, as such lenders interests were assigned to 2665405 pursuant to an assignment and assumption agreement dated November 15, 2018.

“**DRA**” has the meaning ascribed thereto in Section 5.5.

“**Encumbrances**” means all mortgages, pledges, charges, liens, trusts, deemed trusts, prior liens, debentures, hypothecs, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, the Lands or any part thereof or interest therein, and any agreements, leases, offers to lease, subleases, concessions, occupancy agreements, licences, options, easements, rights of way, servitudes, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) against title to the Lands or any part thereof or interest therein.

“**Execution Date**” means the date upon which this Agreement is executed and delivered by each of the parties hereto.

“**Final Order**” means an order of a court of competent jurisdiction, the operation or effect of which has not been stayed or subject to appeal.

“**Forma-Con**” has the meaning ascribed thereto in the first recital.

“**Governmental Authority**” means any government, regulatory authority, government department, agency, utility, commission, board, tribunal or court having jurisdiction on behalf of any nation, province or state or other subdivision thereof or any municipality, district or other subdivision thereof.

“**HST**” means goods and services tax payable pursuant to the *Excise Tax Act* (Canada) and, where applicable, any corresponding or similar taxes under provisions of provincial tax law, including harmonized sales tax.

“**HST Undertaking and Indemnity**” has the meaning ascribed thereto in Section 5.3.

“**Lands**” or the “**Property**” means the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule A attached hereto.

“**Loan Documents and Security**” means the Credit Agreement, and the security granted by Forma-Con in respect thereto, including (i) that certain Omnibus Guarantee dated as of July 24,

2017 by, among others, Forma-Con, pursuant to which Forma-Con guaranteed the Guarantee Obligations (as defined therein), which includes, without limitation, all indebtedness, liabilities and obligations of BCCL to Bridging under or in connection with the Credit Agreement, (ii) that certain Demand Debenture dated as of July 24, 2017 in the principal amount of \$90,000,000 made by Forma-Con in favour of Bridging with respect to the Lands, which constitutes a first registered charge/mortgage on the Lands, registered on July 25, 2017; (iii) that certain Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by Forma-Con in favour of Bridging, which is registered against the Lands; and (iv) that certain Omnibus General Security Agreement dated as of July 24, 2017 by, among others, Forma-Con in favour of Bridging.

“**Notice**” has the meaning ascribed thereto in Section 9.10.

“**Order**” means any order, writ, judgment, injunction, decree, rule, ruling, directive, determination or award made, issued or entered into by or with any Governmental Authority whether preliminary, interlocutory, final, including any order entered into by the Court.

“**Permitted Encumbrances**” means the Encumbrances listed in Schedule B attached hereto.

“**Person**” means an individual, partnership, corporation, trust, unincorporated organization, government, or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

“**Purchase Price**” means Sixteen Million, Five Hundred Thousand Dollars (\$16,500,000), exclusive of any applicable taxes.

“**Purchaser’s Solicitors**” means Goodmans LLP or such other firm or firms of solicitors or agents as are retained by the Purchaser from time to time and Notice of which is provided to the Receiver.

“**Receiver’s Certificate**” means the Receiver’s Certificate (as defined in the Approval and Vesting Order).

“**Receiver’s Charge**” and “**Receiver’s Borrowing Charge**” have the meanings ascribed to those terms in the Receivership Order.

“**Receiver’s Solicitors**” means Torys LLP.

“**Secured Indebtedness**” means the aggregate of all principal, interest, costs, fees, expenses and other amounts owing by Forma-Con under the Loan Documents and Security as of the Closing Date.

“**Stalking Horse Bid**” has the meaning ascribed thereto in Section 8.1.

“**Successful Bid**” has the meaning ascribed thereto in the Bidding Procedures.

“**Transaction**” means the purchase and sale of the Lands provided for in this Agreement.

1.2 Certain Rules of Interpretation

In this Agreement and the Schedules:

- (a) Time shall in all respects be of the essence of this Agreement, provided that the time for doing or completing any matter provided for in this Agreement may be extended or abridged by an agreement in writing signed by the Receiver and the Purchaser or by an agreement between their respective solicitors who are hereby expressly authorized in this regard.
- (b) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end. All times referred to in this Agreement are referenced to the applicable time zone in Toronto, Ontario.
- (c) All references to amounts of money in this Agreement refer to the lawful currency of Canada.
- (d) The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.
- (e) Where the word “including” or “includes” is used in this Agreement, it means “including without limitation” or “includes without limitation”.
- (f) The use of words in the singular or plural, or referring to a particular gender shall not limit the scope or exclude the application of any provision of this Agreement to such Persons or circumstances as the context otherwise permits.
- (g) Any reference to a statute, regulation or by-law shall mean the statute, regulation or by-law in force as at the date of this Agreement, as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute, regulation or by-law thereto, unless otherwise expressly provided.
- (h) Each of the agreements and obligations of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.
- (i) The language used in this Agreement is the language chosen by the parties to express their mutual intent and accordingly, no rule of *contra preferentum* or strict construction shall be applied against either party.

1.3 Entire Agreement

- (a) This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties constitute the entire agreement between the parties pertaining to this Transaction and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the parties in connection with this Transaction except as specifically set forth in this Agreement or the Schedules and Exhibit attached hereto.
- (b) No supplement, modification, waiver or termination (other than a termination pursuant to Article 4, Article 7 or Article 8) of this Agreement shall be binding unless executed in writing by the parties in the same manner as the execution of this Agreement.

1.4 Schedules

The following schedules attached hereto form part of this Agreement:

- Schedule A - Lands – Legal Descriptions
- Schedule B - Permitted Encumbrances
- Schedule C - Bidding Procedures
- Schedule D - Approval and Vesting Order

**ARTICLE 2
AGREEMENT OF PURCHASE AND SALE**

2.1 Purchase and Sale of Lands

Upon and subject to the terms and conditions of this Agreement, the Receiver will sell, and the Purchaser will purchase, all right, title and interest of the Receiver and Forma-Con in and to the Lands free and clear of all Encumbrances, other than the Permitted Encumbrances, in consideration of the payment of the Purchase Price. This Agreement shall be completed on the Closing Date, subject to real property registrations being electronically effected in the appropriate land registry office.

2.2 Binding Agreement

The agreements of the Receiver and the Purchaser set forth in Section 2.1 create and constitute a binding agreement of purchase and sale for the Lands in accordance with the provisions of this Agreement.

2.3 Acknowledgement of Purchaser as to Condition of Lands

The Purchaser acknowledges and agrees that, subject to the representations and warranties as provided by Section 6.1:

- (a) on Closing, title to the Lands shall be subject to the Permitted Encumbrances;

- (b) in entering into this Agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Lands, including the physical and environmental condition of the Lands and the review of the documentation made available to the Purchaser and the Purchaser acknowledges it is not relying on any information furnished by the Receiver or any other Person on behalf of or at the direction of the Receiver in connection therewith; and
- (c) the Lands are being purchased and assumed by the Purchaser on an “as is, where is” basis as of the Closing Date and without any express or implied agreement, representation or warranty of any kind whatsoever as to the title, condition, area, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, any environmental matter or as to the accuracy, currency or completeness of any information or documentation supplied or to be supplied in connection with the Lands and without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and will be waived by the Purchaser.

The Receiver shall have no obligations or responsibility to the Purchaser after Closing with respect to any matter relating to the Lands or the condition thereof save as otherwise expressly provided in this Agreement. This Section 2.3 shall survive Closing.

2.4 Confidentiality

- (a) Until Closing (and in the event this Agreement is terminated for any reason other than its completion, and also from and after such termination), the Purchaser and its consultants, agents, advisors and solicitors shall keep confidential all information, documentation and records obtained from the Receiver or its consultants, agents, advisors or solicitors with respect to the Lands as well as any information arising out of the Purchaser’s access to the Receiver’s records and the Lands and its due diligence with respect thereto (collectively, the “**Confidential Information**”). The Purchaser shall not use any Confidential Information for any purposes not related to this Transaction or in any way detrimental to the Receiver.

Nothing herein contained shall restrict or prohibit the Purchaser from disclosing the Confidential Information to its consultants, agents, advisors and solicitors as long as such parties acknowledge the confidential nature of the Confidential Information or the Receiver receives such other assurances as are acceptable to it.

- (b) The Confidential Information referred to in this Section shall not include:
 - (i) public information or information in the public domain at the time of receipt by the Purchaser or its consultants, agents, advisors and solicitors;
 - (ii) information which becomes public through no fault or act of the Purchaser or its consultants, agents, advisors and solicitors;

- (iii) information in the possession of the Purchaser not provided by the Receiver or its consultants, agents, advisors or solicitors and which information is not known by the Purchaser or its consultants, agents, advisors or solicitors to be subject to any confidentiality restrictions;
 - (iv) information required to be disclosed by law; or
 - (v) information received in good faith from a third party lawfully in possession of the information and not in breach of any confidentiality obligations.
- (c) If this Agreement is terminated for any reason, the Purchaser shall promptly return to the Receiver all Confidential Information (other than the Purchaser's notes and due diligence materials) and similar material including all copies, and shall destroy all of the Purchaser's notes and due diligence materials containing Confidential Information related to this Transaction; provided, however, that the Purchaser shall not be obligated to destroy any Confidential Information retained on its email network as a consequence of customary back-ups and its corporate document retention policy.
- (d) Upon request, the Receiver shall provide the Purchaser with authorizations executed by the Receiver and addressed to any Government Authority, authorizing the release of any and all information on file in respect to the Lands, but such authorization shall not authorize any inspections by any Government Authority.

2.5 Searches and Examination

The Purchaser waives any right to carry out any tests or physical investigations (including soil tests and environmental audits) of the Property.

ARTICLE 3 PURCHASE PRICE

3.1 Payment of Purchase Price

The Purchase Price shall be satisfied by the Purchaser (a) paying an amount to be determined by the Receiver, acting reasonably, as required to satisfy any realty taxes incurred in respect of or for the period prior to closing together with any interest and penalties thereon, and such further amounts that must be paid out to third parties on Closing as may be agreed by the Receiver and Purchaser, each acting reasonably, all as reflected in the Statement of Adjustments (the "Cash Proceeds"); and (b) by crediting an amount of the Secured Indebtedness equal to the balance of the Purchase Price as contemplated by Section 5.2(a) hereof.

3.2 General Adjustments

- (a) Subject to those items referred to in Section 3.3, the adjustments (herein referred to as the "Adjustments") shall include all realty taxes and local improvement

rates and charges and other adjustments established by usual practice in the Greater Toronto Area for the purchase and sale of vacant land. In addition, the Adjustments shall include the other matters referred to in this Agreement which are stated to be the subject of adjustment and shall exclude the other matters in this Agreement which are stated not to be the subject of adjustment.

- (b) Adjustments shall be made as of the Adjustment Date. From and after the Adjustment Date, the Purchaser shall be responsible for all expenses and shall be entitled to all income from the Property. The Receiver shall be responsible for all expenses and entitled to all income from the Property for that period ending on the Adjustment Date.
- (c) If any item subject to adjustment cannot be determined on Closing, an estimate shall be made by the Receiver, acting reasonably, for purposes of Closing and a final adjustment shall be made when the particular item can be determined. All claims for re-adjustments (save for realty taxes not yet assessed or under appeal) must be made within 90 days of the Closing. After the expiry of such period, such adjustments made by the parties shall be final and binding.

This Section 3.2 shall survive Closing.

3.3 Specific Adjustments

The Receiver and the Purchaser hereby acknowledge and agree that:

- (a) in the event that there are any realty tax appeals for 2018 or any prior calendar year, the Receiver shall, at its option, be entitled to continue such appeals and shall be entitled to receive any payment resulting therefrom. The Purchaser agrees to co-operate with the Receiver with respect to all such appeals. To the extent the Purchaser receives any of the aforementioned payments (or credits therefor) on or after the Closing Date, it shall hold such payments (or credits) in trust and forthwith remit them to the Receiver;
- (b) the Receiver shall be responsible and liable to pay and shall pay (and same shall be shown as an adjustment in favour of the Purchaser on the statement of adjustments if unpaid by Closing):
 - (i) the costs and expenses in respect of the Property or the operation and maintenance of the Property incurred in respect of or for a period prior to Closing; and
 - (ii) realty taxes incurred in respect of or for the period prior to Closing, it being understood that the Purchaser or its affiliate shall pay to the municipality on behalf of Forma-Con the amount required to discharge all realty tax arrears, interest and penalties relating to the period prior to closing, which amount shall be shown as an adjustment in favour of the Purchaser;

- (c) the Purchaser shall be responsible and liable to pay and shall pay following Closing:
 - (i) the costs and expenses in respect of the Property or the operation and maintenance of the Property incurred in respect of or for a period from and after the Closing; and
 - (ii) realty taxes incurred in respect of or for the period from and after Closing.

This Section 3.3 shall survive Closing.

ARTICLE 4 CONDITIONS

4.1 Conditions in Favour of Receiver

The obligation of the Receiver to complete the Transaction shall be subject to the following conditions:

- (a) by Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects;
- (b) on Closing, the representations and warranties of the Purchaser set out in Section 6.2 shall be true and accurate in all material respects;
- (c) this Agreement shall be the Successful Bid; and
- (d) by Closing, the Court has issued an Order approving the transaction contemplated herein and vesting the Lands in the Purchaser free and clear of all Encumbrances whatsoever other than Permitted Encumbrances, which Order shall be substantially in the form attached as Schedule D (the “**Approval and Vesting Order**”) and which order shall be a Final Order.

The conditions set forth in Section 4.1 are for the benefit of the Receiver and may be waived in whole or in part by the Receiver by Notice to the Purchaser prior to Closing.

4.2 Conditions in Favour of Purchaser

The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions:

- (a) by Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Receiver shall have been complied with or performed in all material respects;
- (b) on Closing, the representations and warranties of the Receiver set out in Section 6.1 shall be true and accurate in all material respects;

- (c) this Agreement is the Successful Bid; and
- (d) by Closing, the Court has issued the Approval and Vesting Order, and such order is a Final Order.

The conditions set forth in Section 4.2 are for the benefit of the Purchaser, and may be waived in whole or in part by the Purchaser by Notice to the Receiver prior to the applicable date for the satisfaction of each of them.

4.3 Non-Satisfaction of Conditions

If each of the conditions in Sections 4.1 and 4.2 is not satisfied or waived as therein provided on or before the applicable date referred to therein, this Agreement shall be terminated, null and void and of no further force or effect whatsoever, and each of the Receiver and Purchaser shall be released from all of its liabilities and obligations under this Agreement unless the condition or conditions that have not been satisfied or waived were not satisfied as a result of its default save for those specified to survive termination. The conditions set out in Sections 4.1 and 4.2 are conditions to the obligations of the parties to this Agreement and are not conditions precedent to the existence or enforceability of this Agreement.

4.4 Efforts to Satisfy Conditions

Without derogating from any party's other obligations under this Agreement (including, in the case of the Purchaser, the obligation to pay the Purchase Price as provided for in this Agreement) it is agreed that each of the Receiver and Purchaser shall act in good faith and use reasonable commercial efforts to satisfy, or cause to be satisfied, the conditions set forth in Sections 4.1 and 4.2. Each of the Purchaser and the Receiver shall act in good faith in determining whether or not a condition in its favour has been satisfied.

4.5 Title

The Purchaser acknowledges and agrees that it has searched title to the Lands and that it will not be making any objection or requisition as to the title of the Lands and that it has accepted the state of Forma-Con's title to the Lands. The Purchaser acknowledges and agrees that title to the Lands will be subject to the Permitted Encumbrances.

ARTICLE 5 CLOSING DOCUMENTS

5.1 Receiver's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Receiver shall prepare and execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser the following:

- (a) a conveyance of the Property pursuant to the Approval and Vesting Order together with the Receiver's Certificate contemplated by the Approval and Vesting Order;

- (b) a direction as to the payee or payees of the Purchase Price;
- (c) a statement of adjustments to be delivered at least five (5) Business Days before Closing;
- (d) a certificate of KSV Kofman Inc. pursuant to Section 116 of the *Income Tax Act* (Canada) in respect of the Transaction; and
- (e) a certificate of the Receiver confirming that, as of the Closing Date, the representations and warranties of the Receiver set out in Section 6.1 are true and accurate in all material respects, save and except with respect to any matters which have occurred following the Execution Date and which are listed in such certificate.

All documentation shall be in form and substance acceptable to the Purchaser and the Receiver, each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Receiver or the Purchaser than those expressly set forth in this Agreement.

5.2 Purchaser's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Receiver's Solicitors the following:

- (a) an irrevocable direction and acknowledgment, in a form acceptable to the Receiver in its sole discretion from each of Bridging (as agent for 2665405) and 2665405 acknowledging the reduction of the Secured Indebtedness in the amount of the Purchase Price;
- (b) a general assumption agreement and where required specific assumptions of Permitted Encumbrances in connection with the transfer of the Property;
- (c) any assumption agreements and other documentation in respect of Permitted Encumbrances which are specifically required in connection with the transfer of the Lands;
- (d) the HST Undertaking and Indemnity; and
- (e) all other documents which the Receiver reasonably requests to give effect to the Transaction and to result in the proper assumption of the Lands by the Purchaser and full indemnification by the Purchaser in favour of the Receiver in respect of all Claims by Persons other than the Purchaser relating to the Lands which arise or, accrue during, or relate to, the period after the Closing Date.

Except as set out in Section 5.2(a) hereof, all documentation shall be in form and substance acceptable to the Purchaser and the Receiver, each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties

which are in addition to or more onerous upon either the Receiver or the Purchaser than those expressly set forth in this Agreement.

5.3 Receiver's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Section 4.2 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Section 4.1, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate.

5.4 Registration and Other Costs

- (a) The Receiver shall be responsible for the costs of the Receiver's Solicitors in respect of this Transaction. The Purchaser shall be responsible for the costs of the Purchaser's Solicitors. The Purchaser shall be responsible for and pay any land transfer taxes payable on the transfer of the Property, all registration fees payable in respect of registration by it of any documents on Closing (other than discharges of Encumbrances which are required to be made by the Receiver, which shall be the responsibility of the Receiver) and all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Lands, including provincial retail sales tax and HST; provided, however, that the Purchaser shall not be required to pay HST to the Receiver on Closing if it delivers an undertaking to remit HST in accordance with applicable legislation, confirmation that it is a "registrant" under the *Excise Tax Act* (Canada) and an indemnity on the terms set out in Section 5.4(b)(i) (the "**HST Undertaking and Indemnity**").
- (b) The Purchaser shall indemnify and save harmless the Receiver and its shareholders, directors, officers, employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:
 - (i) to pay any federal, provincial or other taxes payable by the Purchaser in connection with the conveyance or transfer of the Lands whether arising from a reassessment or otherwise, including provincial retail sales tax and HST, if applicable; and/or
 - (ii) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Lands.

This Section 5.4(b) shall survive Closing.

5.5 Escrow Closing and Registration

It is a condition of Closing that all matters of payment and the execution and delivery of Closing Documents by each party to the other shall be deemed to be concurrent requirements and

it is specifically agreed that nothing will be complete at the Closing until everything required at the Closing has been paid, executed and delivered.

All Closing Documents and monies shall be delivered in escrow on the Closing Date as reasonably required by the solicitors for the parties together with receipt of such evidence as they shall reasonably request to the effect that all conditions of this Agreement have been satisfied.

The Receiver and Purchaser covenant and agree to cause their respective solicitors to enter into a document registration agreement (the "DRA") in the form recommended by the Law Society of Ontario to govern the electronic submission of the transfer/deed for the Property to the applicable land registry office.

ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Receiver's Representations

The Receiver hereby represents and warrants to and in favour of the Purchaser that, as of the date of this Agreement and as of the Closing Date:

- (a) pursuant to the Receivership Order, the Receiver is the receiver of, *inter alia*, Forma-Con and, subject to the approval of the Court, has the power, authority and capacity to enter into this Agreement and all other agreements, documents and certificates contemplated hereby to be executed by Receiver and to carry out the transaction contemplated hereby and thereby;
- (b) the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver, subject to the Bidding Procedures Order. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms;
- (c) the Receiver has not created any Encumbrance on the Lands, other than the Receiver's Charge or the Receiver's Borrowing Charge as contemplated in the Receivership Order;
- (d) the Receiver is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (e) no party has sought leave in the receivership of Forma-Con to remove the Lands from the proceedings; and
- (f) the Receiver has retained the services of Intercity Realty as its real estate broker or agent in connection with the Transaction.

6.2 Purchaser's Representations

The Purchaser hereby represents and warrants to and in favour of the Receiver that, as of the date of this Agreement and as of the Closing Date:

- (a) the Purchaser is a corporation existing under the laws of Province of Ontario and has the necessary corporate authority, power and capacity to own the Lands, enter into this Agreement and the documents contemplated herein, and carry out the Transaction, in each case on the terms and conditions herein contained;
- (b) the agreement of purchase and sale constituted on the execution and delivery of this Agreement, its obligations hereunder, the Transaction and the documents contemplated herein have been authorized by all requisite corporate proceedings and constitute legal, valid and binding obligations of it, enforceable against it in accordance with their terms;
- (c) the Person or Persons who at Closing purchase the beneficial interests in the Lands will be registrants for the purposes of Part IX of the *Excise Tax Act* (Canada) and, by virtue of paragraph 221(2)(b) of such law, the Receiver is not obliged to collect the HST from the Purchaser or to pay HST; and
- (d) the Purchaser has not retained the services of any real estate broker or agent in connection with the Transaction and has not dealt with any broker or agent in connection with the Transaction.

ARTICLE 7 TERMINATION; WAIVER

7.1 Termination

This Agreement may be terminated at any time prior to the Closing by:

- (a) mutual written consent of the Receiver and the Purchaser;
- (b) the Receiver or the Purchaser if consummation of the Transaction would violate any final order of the Court or any other Governmental Authority having competent jurisdiction, *provided* that the Party seeking to terminate this Agreement pursuant to this Section 7.1(b) shall have used its commercially reasonable efforts to challenge such Law, order, decree or judgment;
- (c) by the Receiver or the Purchaser, if the Court approves an Alternative Transaction or the sale of all or substantially all of the Lands to a Person (or group of Persons) other than the Purchaser; and
- (d) the Purchaser or Receiver, if the Closing shall not have occurred by 5:00 p.m. on March 31, 2018.

7.2 Procedure and Effect of Termination

In the event of termination of this Agreement by either Receiver or Purchaser pursuant to Section 7.1, Notice thereof shall forthwith be given by the terminating party to the other party and, subject to Article 8 hereof, this Agreement shall terminate, the Transaction shall be abandoned, without further action by any of the parties hereto; *provided, however*, that (a) no party shall be relieved of or released from any liability arising from any intentional breach by

such party of any provision of this Agreement, and (b) this Section 7.2, Section 2.4 and any section expressly stated to survive Closing shall remain in full force and effect and survive any termination of this Agreement.

ARTICLE 8 OVERBID PROCEDURES

8.1 Bidding Procedures

- (a) The Receiver and the Purchaser acknowledge that this Agreement and the sale of the Lands are subject to higher and better bids and Court approval.
- (b) The Receiver and Purchaser acknowledge and agree that the Receiver shall apply to the Court no later than December 13, 2018, or such other date as they may agree, for an order (the "**Bidding Procedures Order**"), *inter alia*, recognizing this Agreement, and in particular the Purchase Price, as a baseline or "stalking horse bid" (the "**Stalking Horse Bid**") and approving the Bidding Procedures, and the parties will use commercially reasonable efforts to have the Bidding Procedures Order issued. The Purchaser acknowledges and agrees that the Bidding Procedures are in contemplation of determining whether a superior bid can be obtained for the Lands.

8.2 Overbid Procedures

- (a) The Receiver and the Purchaser acknowledge that the Receiver must take reasonable steps to demonstrate that it had sought to obtain the highest or otherwise best price for the Lands, including entertaining higher and better offers from prospective bidders, and, in the event that additional qualified prospective bidders desire to bid for the Lands, conducting an auction (the "**Auction**").
- (b) The bidding procedures to be employed with respect to this Agreement and any Auction shall be those reflected in the Bidding Procedures Order. The Purchaser agrees to be bound by and accepts the terms and conditions of the Bidding Procedures as approved by the Court. The Purchaser agrees and acknowledges that the Receiver is and may continue soliciting inquiries, proposals or offers for the Lands in connection with any Alternative Transaction pursuant to the terms of the Bidding Procedures and agrees and acknowledges that the bidding procedures contained in the Bidding Procedures may be supplemented by other customary procedures not inconsistent with the matters otherwise set forth therein and the terms of this Agreement.
- (c) The Receiver and the Purchaser agree that the provisions of this Agreement, including this Section 8.2 are reasonable, were a material inducement to the Receiver to enter into this Agreement and are designed to achieve the highest and best price for the Lands.

**ARTICLE 9
GENERAL**

9.1 Applicable Law

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto and shall be treated in all respects as an Ontario contract. The parties hereto hereby agree to irrevocably attorn to the Courts of the Province of Ontario, provided that any judgement by a Court of the Province of Ontario may be enforced in any other jurisdiction.

9.2 Invalidity

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any Person or circumstance, to any extent, shall be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement or part thereof to any Person, party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

9.3 Further Assurances

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

9.4 Entire Agreement

This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties hereto constitute the entire agreement between the parties hereto pertaining to the agreement of purchase and sale provided for herein and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the parties hereto in connection with the agreement of purchase and sale provided for herein except as specifically set forth in this Agreement or the Schedules attached hereto.

9.5 Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

9.6 Solicitors as Agents and Tender

Any Notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Receiver's

Solicitors on behalf of the Receiver and any tender of Closing Documents may be made upon the Receiver's Solicitors and the Purchaser's Solicitors, as the case may be.

9.7 Merger

Except as otherwise expressly set out herein, this Agreement shall merge with the Closing of the Transaction.

9.8 Successors and Assigns

All of the covenants and agreements in this Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

9.9 Assignment

The Purchaser shall have no right to assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the Receiver, acting reasonably. Notwithstanding the foregoing, the Purchaser may, upon Notice to the Receiver, without the requirement to obtain the written consent of the Receiver, assign this Agreement to an affiliate of the Purchaser.

9.10 Notice

Any notice, demand, approval, consent, information, agreement, offer, request or other communication (hereinafter referred to as a "**Notice**") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by e-mail, addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

- (a) Receiver: KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9
- Attention: Bobby Kofman and Noah Goldstein
E-mail: bkofman@ksvadvisory.com and ngoldstein@ksvadvisory.com

with a copy to the Receiver's Solicitors:

Torys LLP
79 Wellington Street West (TD South Tower)
Box 270
Toronto, ON M5K 1N2

Attention: Scott Bomhof and Adam Slavens
Email: sbomhof@torys.com and aslavens@torys.com

(b) Purchaser: 2657897 Ontario Inc.
Suite 2925
77 King St. W.
P.O. Box 322
Toronto, ON M5K 1K7

Attention: Natasha Sharpe
Email: nsharpe@bridgingfinance.ca

with a copy to the Purchaser's Solicitor:

Goodmans LLP
Suite 3400
333 Bay Street (West Tower)
Toronto, ON M5H 2S7

Attention: Christopher Armstrong and Jeffrey Shore
Email: carmstrong@goodmans.ca and jshore@goodmans.ca

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by e-mail with confirmation of transmission prior to 5:00 p.m., shall be deemed to have been validly and effectively given and received on the Business Day it was sent unless the confirmation of transmission was after 5:00 p.m. in which case it shall be deemed to have been received on the next following Business Day.

9.11 Subdivision Control

This Agreement and the Transactions are subject to compliance with Section 50 of the *Planning Act* (Ontario).

9.12 Effect of Termination of Agreement

Notwithstanding the termination of this Agreement for any reason, the confidentiality provisions contained in Section 2.4 of this Agreement shall survive termination and shall remain in full force and effect.

9.13 Press Release

Neither the Receiver nor the Purchaser shall issue a press release or other public announcement with respect to the Transaction, whether prior to or after Closing, unless the content thereof has been mutually approved by the Receiver and the Purchaser, each acting reasonably. Provided, however, that in no event shall the foregoing preclude disclosure required under applicable securities law, so long as all reasonable commercial efforts are made prior to disclosure to obtain the other party's approval of the content of such press release or other public announcement.

This Section 9.13 shall survive Closing.

9.14 Counterparts, etc.

All parties agree that this Agreement may be executed in counterpart and transmitted by e-mail and that the reproduction of signatures in counterpart by way of e-mail will be treated as though such reproduction were executed originals. Each party undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time after the Execution Date.

[the remainder of the page is intentionally left blank]

IN WITNESS WHEREOF the Receiver and Purchaser have executed this Agreement as evidenced by their properly authorized officers as of the day and year first above written.

KSV KOFMAN INC., solely in its capacity as
Court-appointed receiver of all of the assets,
undertakings and properties of, *inter alia*, 1033803
Ontario Inc., and not in its personal capacity

Per: _____

2657897 ONTARIO INC.

Per: _____

Signature Page – Agreement of Purchase and Sale (Brampton)

SCHEDULE A

LANDS - LEGAL DESCRIPTION

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

SCHEDULE B

PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including the reservation of any mines and minerals in the Crown or in any other Person, provided same have been complied with to the Closing Date.
2. Inchoate or statutory liens for unpaid taxes, local improvement rates or water rates.
3. Any municipal by-laws or regulations affecting the Property or its use and any other municipal land use instruments including, without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom, and all applicable building codes, in each case which do not materially impair the present use of the Property.
4. Easements for the supply of utilities or telephone services to the Property and for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services, whether registered or unregistered.
5. Title defects or irregularities which are of a minor nature and will not materially impair the use or marketability of the Property.
6. The provisions of Section 44(1)6, 7, 8, 9, 10 and 12 of the *Land Titles Act* (Ontario).
7. The specific encumbrances listed on Exhibit 1 attached hereto.

**EXHIBIT 1
TO SCHEDULE B**

SPECIFIC ENCUMBRANCES

Each of the following, but only to the extent that the Receiver has complied with the terms of the following:

1. Instrument No. PR713076 registered on 2004/09/03 being a NOTICE in favour of THE CORPORATION OF THE CITY OF BRAMPTON
2. Instrument No. R1385008 registered on 2007/12/05 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of THE REGIONAL MUNICIPALITY OF PEEL
3. Instrument No. PR1385011 registered on 2007/12/05 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of HYDRO ONE BRAMPTON NETWORKS INC.
4. Instrument No. PR2261758 registered on 2012/09/06 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of THE REGIONAL MUNICIPALITY OF PEEL
5. Instrument No. PR2264402 registered on 2012/09/12 being a NOTICE in favour of THE CORPORATION OF THE CITY OF BRAMPTON
6. Instrument No. PR2264436 registered on 2012/09/12 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of HYDRO ONE BRAMPTON NETWORKS INC.

SCHEDULE C

BIDDING PROCEDURES

(See Attached)

BIDDING PROCEDURES

Introduction

On November 19, 2018, the Superior Court of Justice (Commercial List) (the “**Court**”) made an order (the “**Receivership Order**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule “A” hereto (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario (such proceedings, the “**Receivership Proceedings**”).

The Receiver intends to bring a motion before the Court on December 13, 2018, for an order (the “**Bidding Procedures Order**”, and such motion the “**Bidding Procedures Approval Motion**”) approving: (i) the agreement of purchase and sale (the “**Stalking Horse Bid**”) made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (the “**Stalking Horse Bidder**”) pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands; and (ii) the bidding procedures as described in this document (the “**Bidding Procedures**”).

This document contains the Bidding Procedures to be followed by the Receiver in connection with the sale (the “**Sale**”) of the Lands. The Receiver will conduct the Bidding Procedures in accordance with the Bidding Procedures Order. All amounts specified herein are in Canadian dollars.

Assets to Be Sold

The Receiver is offering for sale all of Forma-Con’s right, title and interest in and to the Lands.

The Bidding Procedures

The Bidding Procedures Order approves the retention of Intercity Realty Inc. (the “**Broker**”) to act as real estate broker and listing agent for the Lands, and the entry into a retention agreement with the Broker by the Receiver, among other things.

Interested parties may be provided by the Receiver with such access to due diligence materials and information relating to the Lands as the Receiver deems appropriate in its reasonable business judgment. In the Receiver’s sole discretion, this may include the provision of access to an electronic data room of due diligence information. The Receiver, in its sole discretion, may also require interested parties to execute a form of non-disclosure agreement in form and substance satisfactory to the Receiver prior to the provision of any such access.

The Receiver shall have the right to adopt such other rules for the Bidding Procedures (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Procedures and/or achieving a Sale. The Receiver may

seek Court approval of an amendment to the Bid Procedures that it considers material. The extension of any deadline by up to two weeks shall not be considered material.

Bid Deadline

An interested party that desires to make a bid shall deliver written copies of its bid (including the Required Bid Terms and Materials) to the Broker, with a copy to the Receiver, by 5:00 p.m. (Toronto time) on January 18, 2018 (the "**Bid Deadline**").

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Receiver, the following:

- (i) A base cash purchase price equal to or greater than \$16,750,000, which is the amount of the Stalking Horse Bid plus \$250,000; provided, however, that in the case of a Credit Bid (as defined below), all or part of the consideration will not be in cash;
- (ii) A provision stating that the bidder's offer is irrevocably open for acceptance until the first business day after the Lands have been sold pursuant to the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order;
- (iii) Disclosure of the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Lands or otherwise participating in such bid and the complete terms of any such participation;
- (iv) Written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction comprising such bid, that will allow the Receiver to make a determination as to the bidder's financial and other capabilities to consummate the proposed transaction;
- (v) Written evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (vi) An acknowledgment and representations of the bidder that: (A) it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid; (B) it has relied solely upon its own independent review, investigation and/or inspection of the Lands (including, without limitation, any documents in connection therewith) in making its bid; and (C) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Lands or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver and approved by the Court;

- (vii) An executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting any variations from the Stalking Horse Bid; and
- (viii) A cash deposit in the amount of 15% of the purchase price in the form of a wire transfer, certified cheque or such other form acceptable to the Receiver (the "**Bid Deposit**"), which shall be held by the Receiver in an escrow account (the "**Escrow Account**"). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest to the purchase price payable by it under its bid on the closing thereof or as otherwise provided for in the purchase agreement; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer;

provided, however, that a bid shall not be subject to further due diligence, financing, bid protections, expense reimbursement, third party approvals or any other conditions or conditions precedent except those that are customary in a transaction of this nature (collectively, the "**Required Bid Terms and Materials**").

A bid received from a bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a "**Qualified Bid**", and such bidder is a "**Qualified Bidder**". Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid and the Stalking Horse Bidder shall be deemed a Qualified Bidder.

The Receiver may waive strict compliance with the Bid Deadline or any one or more of the Required Bid Terms and Materials deem such non-compliant bid to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Receiver of the Bid Deadline or the Required Bid Terms and Materials or an obligation on the part of the Receiver to designate any other bid as a Qualified Bid. At any time during the Bidding Procedures, the Receiver may, in its reasonable business judgment, eliminate an interested party, a bidder or a Qualified Bidder (other than the Stalking Horse Bidder) from the Bidding Procedures, in which case such party will no longer be an interested party, bidder or a Qualified Bidder for the purposes of the Bidding Procedures.

Credit Bids

Other than the Stalking Horse Bidder, no bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of Forma-Con (a "Credit Bid"). The Stalking Horse Bidder shall be permitted to Credit Bid up to the full face value of the secured indebtedness of Forma-Con.

"As Is, Where Is, With All Faults"

The sale of the Lands shall be on an "as is, where is" and "with all faults" basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Receiver or its agents, counsel, representatives, partners or employees, or any of the other parties participating in the procedures outlined in these Bidding Procedures, except as may otherwise be provided in a definitive purchase agreement with the

Receiver. Any party (including, without limitation, a Qualified Bidder) shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Lands in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Lands, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Receiver.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, all of Forma-Con's right, title and interest in and to the Lands shall be sold free and clear of all liens and encumbrances pursuant to the Sale Approval Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

Selection of Successful Bidder

If one or more Qualified Bids is received by the Bid Deadline or so designated by the Receiver, all such Qualified Bidders shall proceed to an auction with the Stalking Horse Bidder (an "**Auction**"), which shall proceed according to the Auction Procedures set out in Schedule "B" hereto (the "**Auction Procedures**") to identify the Successful Bidder. In such event, the Receiver shall determine, in its reasonable business judgment, which Qualified Bid is the highest and/or best bid (the "**Lead Bid**"). In determining the Lead Bid, the Receiver may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; and (v) the net economic effect of any changes from the Stalking Horse Bid; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder.

The "**Successful Bid**" will be either (i) the Stalking Horse Bid if no Qualified Bid is received by the Bid Deadline or so designated by the Receiver; (ii) in the event of an Auction, the highest and best bid as determined by the Receiver at the Auction; or (iii) a bid that is so designated by the Receiver in the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order (as defined below) does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder). The party that submitted the Successful Bid is referred to herein as the "**Successful Bidder**".

Sale Approval Motion

Subject to the availability of the Court, within ten (10) business days following the conclusion of the Auction, the Receiver shall bring a motion (the "**Sale Approval Motion**") for an order of the Court authorizing and approving the Sale of the Lands to the Successful Bidder (such order, as approved, the "**Sale Approval Order**"). At the hearing of the Sale Approval Motion, the Receiver shall, among other things, seek approval from the Court to consummate the Successful Bid.

Acceptance of Qualified Bids

The sale of the Lands to any Successful Bidder by the Receiver is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The Receiver's presentation of the Successful Bid to the Court for approval does not obligate the Receiver to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. All of the Qualified Bids other than the Successful Bid, shall be deemed rejected by the Receiver on and as of the date of the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order.

In the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder), the Receiver shall be authorized, but not required, to: (a) exercise such rights and remedies as are available to the Receiver under the Successful Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Successful Bid and that the Successful Bidder has forfeited its Deposit to the Receiver; (b) accept any Qualified Bid or other bid of a Qualified Bidder, including, without limitation, a bid made at the Auction, in which case such bid and bidder shall be a Successful Bid and Successful Bidder, respectively, for the purposes of these Bidding Procedures, and close the transaction under such bid; and/or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages and remedies, including specific performance, from any defaulting Successful Bidder.

Miscellaneous

The Receiver will oversee, in all respects, the conduct of the Bidding Procedures and, without limitation, the Receiver will participate in the Bidding Procedures in the manner set out in these Bidding Procedures and the Bidding Procedures Order. All discussions or inquiries regarding the Bidding Procedures should be directed to the Receiver.

The Sale Process and these Bidding Procedures are solely for the benefit of the Receiver and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. Other than as specifically set forth in the Broker's retention agreement, the Stalking Horse Bid or in a definitive agreement between the Receiver and another Successful Bidder, the Bidding Procedures do not, and will not be interpreted to create any contractual or other legal relationship among Forma-Con, the Receiver,

the Broker, any interested party, any bidder, and Qualified Bidder, the Successful Bidder, or any other party.

The receiver may consult with any other parties with a material interest in the Receivership Proceedings regarding the status and material information and developments relating to the Bidding Procedures to the extent considered appropriate by the Receiver; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Receiver.

Subject to the terms of the Receivership Order, participants in the Bidding Procedures are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bids, participation in the Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order and the Bidding Procedures.

Schedule "A"

Legal Description of the Lands

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule "B"

Auction Procedures

1. If the Receiver determines to conduct an Auction pursuant to the Bidding Procedures, the Receiver will notify the Qualified Bidders who made a Qualified Bid that the Auction will be held at the offices of Torys LLP at 10:00 a.m. (Toronto time) on date that is determined by the Receiver, provided that that is not later than five business days after the Bid Deadline, or such other place and time as the Receiver may advise. Capitalized terms used but not defined have the meaning given to them in the Bidding Procedures.
2. The Auction shall be conducted in accordance with the following procedures:
 - (a) Participation At The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Receiver shall provide all Qualified Bidders with the amount of the Leading Bid, a copy thereof and a blackline to the Stalking Horse Bid by 5:00pm (Toronto Time) two business days before the scheduled date of the Auction. Each Qualified Bidder must inform the Receiver whether it intends to participate in the Auction no later than 12:00 p.m. (Toronto time) on the business day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Receiver, Forma-Con, Bridging Finance Inc. and their respective counsel and other advisors shall be permitted to attend the Auction.
 - (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - (c) Receiver Shall Conduct The Auction. The Receiver and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Receiver shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any and all factors that the Receiver reasonably deems relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment (collectively, the "**Bid Assessment Criteria**"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best

Overbid shall be fully disclosed to all other Qualified Bidders that are participating in the Auction. The Receiver shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Receiver’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in such increments as the Receiver may determine in order to facilitate the Auction (the “**Minimum Overbid Increment**”). The amount of any Overbid shall not be less than the amount of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Receiver shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid and the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
 - (iv) *Consideration of Overbids:* The Receiver reserves the right to make one or more adjournments in the Auction to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (C) give Qualified Bidders the opportunity to provide the Receiver with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Receiver may have clarifying discussions with a Qualified Bidder, and the Receiver may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions.
 - (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the Auction.

- (vi) Credit Bids: Bids at the Auction by the Stalking Horse Bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid up to the full face value of secured indebtedness of Forma-Con (a “**Credit Bid**”). No other Qualified Bidder may Credit Bid at the Auction.

- (e) Additional Procedures. The Receiver may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Bidding Procedures (including these Auction Procedures) and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- (f) Closing the Auction. The Auction shall be closed after the Receiver has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and advised the Qualified Bidders participating in the Auction of such determination.

- (g) Finalizing Documentation. Promptly following a bid of a Qualified Bidder being declared the Successful Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid.

SCHEDULE D

APPROVAL AND VESTING ORDER

(See Attached)

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

B E T W E E N:

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Kofman Inc. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and 2657897 Ontario Inc. (the “**Purchaser**”) dated [DATE] and appended to the Report of the Receiver dated [DATE] (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Lands (as defined in the Sale Agreement, and as further set out on Schedule A hereto), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Lands to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule B hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Lands shall vest absolutely in the Purchaser, 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, encumbrances, 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) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated November 19, 2018; 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; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.

3. **THIS COURT ORDERS** that upon the registration in the Land Titles Division of Peel (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar for the Land Titles Division of Peel (No. 43) is hereby directed to enter the Purchaser as the owner of the Lands in fee simple, and is hereby directed to delete and expunge from title to the Lands all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **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) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Lands in the Purchaser 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 nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

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

SCHEDULE A-- Lands - Legal Description

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule B – Receiver’s Certificate

Court File No. CV-18-608978-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the “**Court**”) dated November 19, 2018, KSV Kofman Inc. was appointed as the receiver (the “**Receiver**”) of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of ●, 2018 (the “**Sale Agreement**”) between the Receiver and 2657897 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) that the conditions to Closing as set out in Sections [4.1 and 4.2] of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The conditions to Closing as set out in Sections **[4.1 and 4.2]** of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV Kofman Inc., in its capacity as Receiver
of the undertaking, property and assets of,
inter alia, 1033803 Ontario Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule C – Claims to be deleted and expunged from title to Real Property

Party From	Party To	Instrument Type	Registration Number
1033803 Ontario Inc.	Bridging Finance Inc.	Charge/mortgage	PR3170291 (2017/07/25)
1033803 Ontario Inc.	Bridging Finance Inc.	Notice of assignment of rents - general	PR3170292 (2017/07/25)

GOODMANSV6882890

Appendix "C"

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made as of the 6th day of December, 2018,

BETWEEN:

KSV KOFMAN INC., in its capacity as Court-appointed receiver of all of the assets, undertakings and properties of 1033803 Ontario Inc., and not in its personal capacity

(in such capacity, the “**Receiver**”)

OF THE FIRST PART,

-and-

2657897 ONTARIO INC.

(the “**Purchaser**”)

OF THE SECOND PART.

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) issued on November 19, 2018 (the “**Receivership Order**”), the Receiver was appointed as receiver of, *inter alia*, all of the assets, undertakings and properties of 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing (“**Forma-Con**”);

AND WHEREAS the Receiver will seek the Bidding Procedures Order pursuant to which the Receiver will be authorized to enter into this Agreement and commence the sale process with respect to the Lands (as defined herein) in accordance with the Bidding Procedures (as defined herein);

AND WHEREAS the Purchaser has agreed: (i) to act as a “stalking horse bidder”, and (ii) to purchase the Lands in the absence of a superior bid to the transaction of purchase and sale contemplated in this Agreement pursuant to the Bidding Procedures;

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree and declare as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

The terms defined herein shall have, for all purposes of this agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

“**2665405**” means 2665405 Ontario Inc.

“**Adjustment Date**” means 11:59 p.m. on the day preceding the Closing Date.

“**Adjustments**” means the adjustments to the Purchase Price provided for and determined pursuant to Sections 3.2 and 3.3.

“**Agreement**” means this agreement of purchase and sale and the schedules attached hereto, as amended from time to time; “**Article**”, “**Section**” and “**Subsection**” mean and refer to the specified article, section and subsection of this Agreement.

“**Alternative Transaction**” means a transaction pursuant to a bid made by a Person other than the Purchaser which is selected by the Receiver as the highest and best offer in accordance with the Bidding Procedures.

“**Approval and Vesting Order**” has the meaning set forth in Section 4.1(d).

“**Applicable Laws**” means all statutes, laws, by-laws, rules, regulations, ordinances, orders, judgments, decrees, decisions or other requirements having the force of law of Governmental Authorities having jurisdiction, whether federal, provincial, municipal or otherwise.

“**Auction**” has the meaning ascribed thereto in Section 8.2(a).

“**BCCL**” means Bondfield Construction Company Limited.

“**Bidding Procedures**” means the bidding procedures attached as Schedule C.

“**Bidding Procedures Order**” has the meaning set out in Section 8.1.

“**Bridging**” means Bridging Finance Inc., as agent under the Credit Agreement.

“**Business Day**” means any day, other than a Saturday, Sunday or legal holiday in Toronto, Ontario.

“**Cash Proceeds**” has the meaning ascribed to such term in Section 3.1.

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceedings relating to any of the foregoing, related to Forma-Con or the Lands, and “**Claim**” means any one of them.

“**Closing**” means the successful closing and consummation of the Transaction.

“**Closing Date**” means 10:00 a.m. (Toronto time) on the day that is which is three (3) Business Days after issuance of the Approval and Vesting Order.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Closing Documents**” means, collectively, the agreements, instruments and other documents to be delivered by the Receiver to the Purchaser pursuant to Section 5.1 and the agreements, instruments and other documents to be delivered by the Purchaser to the Receiver pursuant to Section 5.2.

“**Confidential Information**” has the meaning ascribed thereto in Section 2.4.

“**Credit Agreement**” means that certain credit agreement letter dated as of July 24, 2017 between BCCL and Bridging, as agent for certain lenders, as such lenders interests were assigned to 2665405 pursuant to an assignment and assumption agreement dated November 15, 2018.

“**DRA**” has the meaning ascribed thereto in Section 5.5.

“**Encumbrances**” means all mortgages, pledges, charges, liens, trusts, deemed trusts, prior liens, debentures, hypothecs, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, the Lands or any part thereof or interest therein, and any agreements, leases, offers to lease, subleases, concessions, occupancy agreements, licences, options, easements, rights of way, servitudes, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) against title to the Lands or any part thereof or interest therein.

“**Execution Date**” means the date upon which this Agreement is executed and delivered by each of the parties hereto.

“**Final Order**” means an order of a court of competent jurisdiction, the operation or effect of which has not been stayed or subject to appeal.

“**Forma-Con**” has the meaning ascribed thereto in the first recital.

“**Governmental Authority**” means any government, regulatory authority, government department, agency, utility, commission, board, tribunal or court having jurisdiction on behalf of any nation, province or state or other subdivision thereof or any municipality, district or other subdivision thereof.

“**HST**” means goods and services tax payable pursuant to the *Excise Tax Act* (Canada) and, where applicable, any corresponding or similar taxes under provisions of provincial tax law, including harmonized sales tax.

“**HST Undertaking and Indemnity**” has the meaning ascribed thereto in Section 5.3.

“**Lands**” or the “**Property**” means the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule A attached hereto.

“**Loan Documents and Security**” means the Credit Agreement, and the security granted by Forma-Con in respect thereto, including (i) that certain Omnibus Guarantee dated as of July 24,

2017 by, among others, Forma-Con, pursuant to which Forma-Con guaranteed the Guarantee Obligations (as defined therein), which includes, without limitation, all indebtedness, liabilities and obligations of BCCL to Bridging under or in connection with the Credit Agreement, (ii) that certain Demand Debenture dated as of July 24, 2017 in the principal amount of \$90,000,000 made by Forma-Con in favour of Bridging with respect to the Lands, which constitutes a first registered charge/mortgage on the Lands, registered on July 25, 2017; (iii) that certain Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by Forma-Con in favour of Bridging, which is registered against the Lands; and (iv) that certain Omnibus General Security Agreement dated as of July 24, 2017 by, among others, Forma-Con in favour of Bridging.

“**Notice**” has the meaning ascribed thereto in Section 9.10.

“**Order**” means any order, writ, judgment, injunction, decree, rule, ruling, directive, determination or award made, issued or entered into by or with any Governmental Authority whether preliminary, interlocutory, final, including any order entered into by the Court.

“**Permitted Encumbrances**” means the Encumbrances listed in Schedule B attached hereto.

“**Person**” means an individual, partnership, corporation, trust, unincorporated organization, government, or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

“**Purchase Price**” means Sixteen Million, Five Hundred Thousand Dollars (\$16,500,000), exclusive of any applicable taxes.

“**Purchaser’s Solicitors**” means Goodmans LLP or such other firm or firms of solicitors or agents as are retained by the Purchaser from time to time and Notice of which is provided to the Receiver.

“**Receiver’s Certificate**” means the Receiver’s Certificate (as defined in the Approval and Vesting Order).

“**Receiver’s Charge**” and “**Receiver’s Borrowing Charge**” have the meanings ascribed to those terms in the Receivership Order.

“**Receiver’s Solicitors**” means Torys LLP.

“**Secured Indebtedness**” means the aggregate of all principal, interest, costs, fees, expenses and other amounts owing by Forma-Con under the Loan Documents and Security as of the Closing Date.

“**Stalking Horse Bid**” has the meaning ascribed thereto in Section 8.1.

“**Successful Bid**” has the meaning ascribed thereto in the Bidding Procedures.

“**Transaction**” means the purchase and sale of the Lands provided for in this Agreement.

1.2 Certain Rules of Interpretation

In this Agreement and the Schedules:

- (a) Time shall in all respects be of the essence of this Agreement, provided that the time for doing or completing any matter provided for in this Agreement may be extended or abridged by an agreement in writing signed by the Receiver and the Purchaser or by an agreement between their respective solicitors who are hereby expressly authorized in this regard.
- (b) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end. All times referred to in this Agreement are referenced to the applicable time zone in Toronto, Ontario.
- (c) All references to amounts of money in this Agreement refer to the lawful currency of Canada.
- (d) The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.
- (e) Where the word “including” or “includes” is used in this Agreement, it means “including without limitation” or “includes without limitation”.
- (f) The use of words in the singular or plural, or referring to a particular gender shall not limit the scope or exclude the application of any provision of this Agreement to such Persons or circumstances as the context otherwise permits.
- (g) Any reference to a statute, regulation or by-law shall mean the statute, regulation or by-law in force as at the date of this Agreement, as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute, regulation or by-law thereto, unless otherwise expressly provided.
- (h) Each of the agreements and obligations of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.
- (i) The language used in this Agreement is the language chosen by the parties to express their mutual intent and accordingly, no rule of *contra preferentum* or strict construction shall be applied against either party.

1.3 Entire Agreement

- (a) This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties constitute the entire agreement between the parties pertaining to this Transaction and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the parties in connection with this Transaction except as specifically set forth in this Agreement or the Schedules and Exhibit attached hereto.
- (b) No supplement, modification, waiver or termination (other than a termination pursuant to Article 4, Article 7 or Article 8) of this Agreement shall be binding unless executed in writing by the parties in the same manner as the execution of this Agreement.

1.4 Schedules

The following schedules attached hereto form part of this Agreement:

Schedule A	-	Lands – Legal Descriptions
Schedule B	-	Permitted Encumbrances
Schedule C	-	Bidding Procedures
Schedule D	-	Approval and Vesting Order

**ARTICLE 2
AGREEMENT OF PURCHASE AND SALE**

2.1 Purchase and Sale of Lands

Upon and subject to the terms and conditions of this Agreement, the Receiver will sell, and the Purchaser will purchase, all right, title and interest of the Receiver and Forma-Con in and to the Lands free and clear of all Encumbrances, other than the Permitted Encumbrances, in consideration of the payment of the Purchase Price. This Agreement shall be completed on the Closing Date, subject to real property registrations being electronically effected in the appropriate land registry office.

2.2 Binding Agreement

The agreements of the Receiver and the Purchaser set forth in Section 2.1 create and constitute a binding agreement of purchase and sale for the Lands in accordance with the provisions of this Agreement.

2.3 Acknowledgement of Purchaser as to Condition of Lands

The Purchaser acknowledges and agrees that, subject to the representations and warranties as provided by Section 6.1:

- (a) on Closing, title to the Lands shall be subject to the Permitted Encumbrances;

- (b) in entering into this Agreement, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Lands, including the physical and environmental condition of the Lands and the review of the documentation made available to the Purchaser and the Purchaser acknowledges it is not relying on any information furnished by the Receiver or any other Person on behalf of or at the direction of the Receiver in connection therewith; and
- (c) the Lands are being purchased and assumed by the Purchaser on an “as is, where is” basis as of the Closing Date and without any express or implied agreement, representation or warranty of any kind whatsoever as to the title, condition, area, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, any environmental matter or as to the accuracy, currency or completeness of any information or documentation supplied or to be supplied in connection with the Lands and without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and will be waived by the Purchaser.

The Receiver shall have no obligations or responsibility to the Purchaser after Closing with respect to any matter relating to the Lands or the condition thereof save as otherwise expressly provided in this Agreement. This Section 2.3 shall survive Closing.

2.4 Confidentiality

- (a) Until Closing (and in the event this Agreement is terminated for any reason other than its completion, and also from and after such termination), the Purchaser and its consultants, agents, advisors and solicitors shall keep confidential all information, documentation and records obtained from the Receiver or its consultants, agents, advisors or solicitors with respect to the Lands as well as any information arising out of the Purchaser’s access to the Receiver’s records and the Lands and its due diligence with respect thereto (collectively, the “**Confidential Information**”). The Purchaser shall not use any Confidential Information for any purposes not related to this Transaction or in any way detrimental to the Receiver.

Nothing herein contained shall restrict or prohibit the Purchaser from disclosing the Confidential Information to its consultants, agents, advisors and solicitors as long as such parties acknowledge the confidential nature of the Confidential Information or the Receiver receives such other assurances as are acceptable to it.

- (b) The Confidential Information referred to in this Section shall not include:
 - (i) public information or information in the public domain at the time of receipt by the Purchaser or its consultants, agents, advisors and solicitors;
 - (ii) information which becomes public through no fault or act of the Purchaser or its consultants, agents, advisors and solicitors;

- (iii) information in the possession of the Purchaser not provided by the Receiver or its consultants, agents, advisors or solicitors and which information is not known by the Purchaser or its consultants, agents, advisers or solicitors to be subject to any confidentiality restrictions;
 - (iv) information required to be disclosed by law; or
 - (v) information received in good faith from a third party lawfully in possession of the information and not in breach of any confidentiality obligations.
- (c) If this Agreement is terminated for any reason, the Purchaser shall promptly return to the Receiver all Confidential Information (other than the Purchaser's notes and due diligence materials) and similar material including all copies, and shall destroy all of the Purchaser's notes and due diligence materials containing Confidential Information related to this Transaction; provided, however, that the Purchaser shall not be obligated to destroy any Confidential Information retained on its email network as a consequence of customary back-ups and its corporate document retention policy.
- (d) Upon request, the Receiver shall provide the Purchaser with authorizations executed by the Receiver and addressed to any Government Authority, authorizing the release of any and all information on file in respect to the Lands, but such authorization shall not authorize any inspections by any Government Authority.

2.5 Searches and Examination

The Purchaser waives any right to carry out any tests or physical investigations (including soil tests and environmental audits) of the Property.

ARTICLE 3 PURCHASE PRICE

3.1 Payment of Purchase Price

The Purchase Price shall be satisfied by the Purchaser (a) paying an amount to be determined by the Receiver, acting reasonably, as required to satisfy any realty taxes incurred in respect of or for the period prior to closing together with any interest and penalties thereon, and such further amounts that must be paid out to third parties on Closing as may be agreed by the Receiver and Purchaser, each acting reasonably, all as reflected in the Statement of Adjustments (the "Cash Proceeds"); and (b) by crediting an amount of the Secured Indebtedness equal to the balance of the Purchase Price as contemplated by Section 5.2(a) hereof.

3.2 General Adjustments

- (a) Subject to those items referred to in Section 3.3, the adjustments (herein referred to as the "Adjustments") shall include all realty taxes and local improvement

rates and charges and other adjustments established by usual practice in the Greater Toronto Area for the purchase and sale of vacant land. In addition, the Adjustments shall include the other matters referred to in this Agreement which are stated to be the subject of adjustment and shall exclude the other matters in this Agreement which are stated not to be the subject of adjustment.

- (b) Adjustments shall be made as of the Adjustment Date. From and after the Adjustment Date, the Purchaser shall be responsible for all expenses and shall be entitled to all income from the Property. The Receiver shall be responsible for all expenses and entitled to all income from the Property for that period ending on the Adjustment Date.
- (c) If any item subject to adjustment cannot be determined on Closing, an estimate shall be made by the Receiver, acting reasonably, for purposes of Closing and a final adjustment shall be made when the particular item can be determined. All claims for re-adjustments (save for realty taxes not yet assessed or under appeal) must be made within 90 days of the Closing. After the expiry of such period, such adjustments made by the parties shall be final and binding.

This Section 3.2 shall survive Closing.

3.3 Specific Adjustments

The Receiver and the Purchaser hereby acknowledge and agree that:

- (a) in the event that there are any realty tax appeals for 2018 or any prior calendar year, the Receiver shall, at its option, be entitled to continue such appeals and shall be entitled to receive any payment resulting therefrom. The Purchaser agrees to co-operate with the Receiver with respect to all such appeals. To the extent the Purchaser receives any of the aforementioned payments (or credits therefor) on or after the Closing Date, it shall hold such payments (or credits) in trust and forthwith remit them to the Receiver;
- (b) the Receiver shall be responsible and liable to pay and shall pay (and same shall be shown as an adjustment in favour of the Purchaser on the statement of adjustments if unpaid by Closing):
 - (i) the costs and expenses in respect of the Property or the operation and maintenance of the Property incurred in respect of or for a period prior to Closing; and
 - (ii) realty taxes incurred in respect of or for the period prior to Closing, it being understood that the Purchaser or its affiliate shall pay to the municipality on behalf of Forma-Con the amount required to discharge all realty tax arrears, interest and penalties relating to the period prior to closing, which amount shall be shown as an adjustment in favour of the Purchaser;

- (c) the Purchaser shall be responsible and liable to pay and shall pay following Closing:
 - (i) the costs and expenses in respect of the Property or the operation and maintenance of the Property incurred in respect of or for a period from and after the Closing; and
 - (ii) realty taxes incurred in respect of or for the period from and after Closing.

This Section 3.3 shall survive Closing.

ARTICLE 4 CONDITIONS

4.1 Conditions in Favour of Receiver

The obligation of the Receiver to complete the Transaction shall be subject to the following conditions:

- (a) by Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects;
- (b) on Closing, the representations and warranties of the Purchaser set out in Section 6.2 shall be true and accurate in all material respects;
- (c) this Agreement shall be the Successful Bid; and
- (d) by Closing, the Court has issued an Order approving the transaction contemplated herein and vesting the Lands in the Purchaser free and clear of all Encumbrances whatsoever other than Permitted Encumbrances, which Order shall be substantially in the form attached as Schedule D (the “**Approval and Vesting Order**”) and which order shall be a Final Order.

The conditions set forth in Section 4.1 are for the benefit of the Receiver and may be waived in whole or in part by the Receiver by Notice to the Purchaser prior to Closing.

4.2 Conditions in Favour of Purchaser

The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions:

- (a) by Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Receiver shall have been complied with or performed in all material respects;
- (b) on Closing, the representations and warranties of the Receiver set out in Section 6.1 shall be true and accurate in all material respects;

- (c) this Agreement is the Successful Bid; and
- (d) by Closing, the Court has issued the Approval and Vesting Order, and such order is a Final Order.

The conditions set forth in Section 4.2 are for the benefit of the Purchaser, and may be waived in whole or in part by the Purchaser by Notice to the Receiver prior to the applicable date for the satisfaction of each of them.

4.3 Non-Satisfaction of Conditions

If each of the conditions in Sections 4.1 and 4.2 is not satisfied or waived as therein provided on or before the applicable date referred to therein, this Agreement shall be terminated, null and void and of no further force or effect whatsoever, and each of the Receiver and Purchaser shall be released from all of its liabilities and obligations under this Agreement unless the condition or conditions that have not been satisfied or waived were not satisfied as a result of its default save for those specified to survive termination. The conditions set out in Sections 4.1 and 4.2 are conditions to the obligations of the parties to this Agreement and are not conditions precedent to the existence or enforceability of this Agreement.

4.4 Efforts to Satisfy Conditions

Without derogating from any party's other obligations under this Agreement (including, in the case of the Purchaser, the obligation to pay the Purchase Price as provided for in this Agreement) it is agreed that each of the Receiver and Purchaser shall act in good faith and use reasonable commercial efforts to satisfy, or cause to be satisfied, the conditions set forth in Sections 4.1 and 4.2. Each of the Purchaser and the Receiver shall act in good faith in determining whether or not a condition in its favour has been satisfied.

4.5 Title

The Purchaser acknowledges and agrees that it has searched title to the Lands and that it will not be making any objection or requisition as to the title of the Lands and that it has accepted the state of Forma-Con's title to the Lands. The Purchaser acknowledges and agrees that title to the Lands will be subject to the Permitted Encumbrances.

ARTICLE 5 CLOSING DOCUMENTS

5.1 Receiver's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Receiver shall prepare and execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser the following:

- (a) a conveyance of the Property pursuant to the Approval and Vesting Order together with the Receiver's Certificate contemplated by the Approval and Vesting Order;

- (b) a direction as to the payee or payees of the Purchase Price;
- (c) a statement of adjustments to be delivered at least five (5) Business Days before Closing;
- (d) a certificate of KSV Kofman Inc. pursuant to Section 116 of the *Income Tax Act* (Canada) in respect of the Transaction; and
- (e) a certificate of the Receiver confirming that, as of the Closing Date, the representations and warranties of the Receiver set out in Section 6.1 are true and accurate in all material respects, save and except with respect to any matters which have occurred following the Execution Date and which are listed in such certificate.

All documentation shall be in form and substance acceptable to the Purchaser and the Receiver, each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Receiver or the Purchaser than those expressly set forth in this Agreement.

5.2 Purchaser's Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall execute or cause to be executed and shall deliver or cause to be delivered to the Receiver's Solicitors the following:

- (a) an irrevocable direction and acknowledgment, in a form acceptable to the Receiver in its sole discretion from each of Bridging (as agent for 2665405) and 2665405 acknowledging the reduction of the Secured Indebtedness in the amount of the Purchase Price;
- (b) a general assumption agreement and where required specific assumptions of Permitted Encumbrances in connection with the transfer of the Property;
- (c) any assumption agreements and other documentation in respect of Permitted Encumbrances which are specifically required in connection with the transfer of the Lands;
- (d) the HST Undertaking and Indemnity; and
- (e) all other documents which the Receiver reasonably requests to give effect to the Transaction and to result in the proper assumption of the Lands by the Purchaser and full indemnification by the Purchaser in favour of the Receiver in respect of all Claims by Persons other than the Purchaser relating to the Lands which arise or, accrue during, or relate to, the period after the Closing Date.

Except as set out in Section 5.2(a) hereof, all documentation shall be in form and substance acceptable to the Purchaser and the Receiver, each acting reasonably and in good faith, provided that none of such documents shall contain covenants, representations or warranties

which are in addition to or more onerous upon either the Receiver or the Purchaser than those expressly set forth in this Agreement.

5.3 Receiver's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Section 4.2 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Section 4.1, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate.

5.4 Registration and Other Costs

- (a) The Receiver shall be responsible for the costs of the Receiver's Solicitors in respect of this Transaction. The Purchaser shall be responsible for the costs of the Purchaser's Solicitors. The Purchaser shall be responsible for and pay any land transfer taxes payable on the transfer of the Property, all registration fees payable in respect of registration by it of any documents on Closing (other than discharges of Encumbrances which are required to be made by the Receiver, which shall be the responsibility of the Receiver) and all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Lands, including provincial retail sales tax and HST; provided, however, that the Purchaser shall not be required to pay HST to the Receiver on Closing if it delivers an undertaking to remit HST in accordance with applicable legislation, confirmation that it is a "registrant" under the *Excise Tax Act* (Canada) and an indemnity on the terms set out in Section 5.4(b)(i) (the "**HST Undertaking and Indemnity**").
- (b) The Purchaser shall indemnify and save harmless the Receiver and its shareholders, directors, officers, employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:
 - (i) to pay any federal, provincial or other taxes payable by the Purchaser in connection with the conveyance or transfer of the Lands whether arising from a reassessment or otherwise, including provincial retail sales tax and HST, if applicable; and/or
 - (ii) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Lands.

This Section 5.4(b) shall survive Closing.

5.5 Escrow Closing and Registration

It is a condition of Closing that all matters of payment and the execution and delivery of Closing Documents by each party to the other shall be deemed to be concurrent requirements and

it is specifically agreed that nothing will be complete at the Closing until everything required at the Closing has been paid, executed and delivered.

All Closing Documents and monies shall be delivered in escrow on the Closing Date as reasonably required by the solicitors for the parties together with receipt of such evidence as they shall reasonably request to the effect that all conditions of this Agreement have been satisfied.

The Receiver and Purchaser covenant and agree to cause their respective solicitors to enter into a document registration agreement (the "DRA") in the form recommended by the Law Society of Ontario to govern the electronic submission of the transfer/deed for the Property to the applicable land registry office.

ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Receiver's Representations

The Receiver hereby represents and warrants to and in favour of the Purchaser that, as of the date of this Agreement and as of the Closing Date:

- (a) pursuant to the Receivership Order, the Receiver is the receiver of, *inter alia*, Forma-Con and, subject to the approval of the Court, has the power, authority and capacity to enter into this Agreement and all other agreements, documents and certificates contemplated hereby to be executed by Receiver and to carry out the transaction contemplated hereby and thereby;
- (b) the execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver, subject to the Bidding Procedures Order. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms;
- (c) the Receiver has not created any Encumbrance on the Lands, other than the Receiver's Charge or the Receiver's Borrowing Charge as contemplated in the Receivership Order;
- (d) the Receiver is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (e) no party has sought leave in the receivership of Forma-Con to remove the Lands from the proceedings; and
- (f) the Receiver has retained the services of Intercity Realty as its real estate broker or agent in connection with the Transaction.

6.2 Purchaser's Representations

The Purchaser hereby represents and warrants to and in favour of the Receiver that, as of the date of this Agreement and as of the Closing Date:

- (a) the Purchaser is a corporation existing under the laws of Province of Ontario and has the necessary corporate authority, power and capacity to own the Lands, enter into this Agreement and the documents contemplated herein, and carry out the Transaction, in each case on the terms and conditions herein contained;
- (b) the agreement of purchase and sale constituted on the execution and delivery of this Agreement, its obligations hereunder, the Transaction and the documents contemplated herein have been authorized by all requisite corporate proceedings and constitute legal, valid and binding obligations of it, enforceable against it in accordance with their terms;
- (c) the Person or Persons who at Closing purchase the beneficial interests in the Lands will be registrants for the purposes of Part IX of the *Excise Tax Act* (Canada) and, by virtue of paragraph 221(2)(b) of such law, the Receiver is not obliged to collect the HST from the Purchaser or to pay HST; and
- (d) the Purchaser has not retained the services of any real estate broker or agent in connection with the Transaction and has not dealt with any broker or agent in connection with the Transaction.

ARTICLE 7 TERMINATION; WAIVER

7.1 Termination

This Agreement may be terminated at any time prior to the Closing by:

- (a) mutual written consent of the Receiver and the Purchaser;
- (b) the Receiver or the Purchaser if consummation of the Transaction would violate any final order of the Court or any other Governmental Authority having competent jurisdiction, *provided* that the Party seeking to terminate this Agreement pursuant to this Section 7.1(b) shall have used its commercially reasonable efforts to challenge such Law, order, decree or judgment;
- (c) by the Receiver or the Purchaser, if the Court approves an Alternative Transaction or the sale of all or substantially all of the Lands to a Person (or group of Persons) other than the Purchaser; and
- (d) the Purchaser or Receiver, if the Closing shall not have occurred by 5:00 p.m. on March 31, 2018.

7.2 Procedure and Effect of Termination

In the event of termination of this Agreement by either Receiver or Purchaser pursuant to Section 7.1, Notice thereof shall forthwith be given by the terminating party to the other party and, subject to Article 8 hereof, this Agreement shall terminate, the Transaction shall be abandoned, without further action by any of the parties hereto; *provided, however*, that (a) no party shall be relieved of or released from any liability arising from any intentional breach by

such party of any provision of this Agreement, and (b) this Section 7.2, Section 2.4 and any section expressly stated to survive Closing shall remain in full force and effect and survive any termination of this Agreement.

ARTICLE 8 OVERBID PROCEDURES

8.1 Bidding Procedures

- (a) The Receiver and the Purchaser acknowledge that this Agreement and the sale of the Lands are subject to higher and better bids and Court approval.
- (b) The Receiver and Purchaser acknowledge and agree that the Receiver shall apply to the Court no later than December 13, 2018, or such other date as they may agree, for an order (the "**Bidding Procedures Order**"), *inter alia*, recognizing this Agreement, and in particular the Purchase Price, as a baseline or "stalking horse bid" (the "**Stalking Horse Bid**") and approving the Bidding Procedures, and the parties will use commercially reasonable efforts to have the Bidding Procedures Order issued. The Purchaser acknowledges and agrees that the Bidding Procedures are in contemplation of determining whether a superior bid can be obtained for the Lands.

8.2 Overbid Procedures

- (a) The Receiver and the Purchaser acknowledge that the Receiver must take reasonable steps to demonstrate that it had sought to obtain the highest or otherwise best price for the Lands, including entertaining higher and better offers from prospective bidders, and, in the event that additional qualified prospective bidders desire to bid for the Lands, conducting an auction (the "**Auction**").
- (b) The bidding procedures to be employed with respect to this Agreement and any Auction shall be those reflected in the Bidding Procedures Order. The Purchaser agrees to be bound by and accepts the terms and conditions of the Bidding Procedures as approved by the Court. The Purchaser agrees and acknowledges that the Receiver is and may continue soliciting inquiries, proposals or offers for the Lands in connection with any Alternative Transaction pursuant to the terms of the Bidding Procedures and agrees and acknowledges that the bidding procedures contained in the Bidding Procedures may be supplemented by other customary procedures not inconsistent with the matters otherwise set forth therein and the terms of this Agreement.
- (c) The Receiver and the Purchaser agree that the provisions of this Agreement, including this Section 8.2 are reasonable, were a material inducement to the Receiver to enter into this Agreement and are designed to achieve the highest and best price for the Lands.

**ARTICLE 9
GENERAL**

9.1 Applicable Law

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable thereto and shall be treated in all respects as an Ontario contract. The parties hereto hereby agree to irrevocably attorn to the Courts of the Province of Ontario, provided that any judgement by a Court of the Province of Ontario may be enforced in any other jurisdiction.

9.2 Invalidity

If any immaterial covenant, obligation, agreement or part thereof or the application thereof to any Person or circumstance, to any extent, shall be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or agreement or part thereof to any Person, party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby. Each covenant, obligation and agreement in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

9.3 Further Assurances

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

9.4 Entire Agreement

This Agreement and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties hereto constitute the entire agreement between the parties hereto pertaining to the agreement of purchase and sale provided for herein and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the parties hereto in connection with the agreement of purchase and sale provided for herein except as specifically set forth in this Agreement or the Schedules attached hereto.

9.5 Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

9.6 Solicitors as Agents and Tender

Any Notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Receiver's

Solicitors on behalf of the Receiver and any tender of Closing Documents may be made upon the Receiver's Solicitors and the Purchaser's Solicitors, as the case may be.

9.7 Merger

Except as otherwise expressly set out herein, this Agreement shall merge with the Closing of the Transaction.

9.8 Successors and Assigns

All of the covenants and agreements in this Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

9.9 Assignment

The Purchaser shall have no right to assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the Receiver, acting reasonably. Notwithstanding the foregoing, the Purchaser may, upon Notice to the Receiver, without the requirement to obtain the written consent of the Receiver, assign this Agreement to an affiliate of the Purchaser.

9.10 Notice

Any notice, demand, approval, consent, information, agreement, offer, request or other communication (hereinafter referred to as a "Notice") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by e-mail, addressed or sent as set out below or to such other address as may from time to time be the subject of a Notice:

- (a) Receiver: KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9
- Attention: Bobby Kofman and Noah Goldstein
E-mail: bkofman@ksvadvisory.com and ngoldstein@ksvadvisory.com

with a copy to the Receiver's Solicitors:

Torys LLP
79 Wellington Street West (TD South Tower)
Box 270
Toronto, ON M5K 1N2

Attention: Scott Bomhof and Adam Slavens
Email: sbomhof@torys.com and aslavens@torys.com

(b) Purchaser: 2657897 Ontario Inc.
Suite 2925
77 King St. W.
P.O. Box 322
Toronto, ON M5K 1K7

Attention: Natasha Sharpe
Email: nsharpe@bridgingfinance.ca

with a copy to the Purchaser's Solicitor:

Goodmans LLP
Suite 3400
333 Bay Street (West Tower)
Toronto, ON M5H 2S7

Attention: Christopher Armstrong and Jeffrey Shore
Email: carmstrong@goodmans.ca and jshore@goodmans.ca

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by e-mail with confirmation of transmission prior to 5:00 p.m., shall be deemed to have been validly and effectively given and received on the Business Day it was sent unless the confirmation of transmission was after 5:00 p.m. in which case it shall be deemed to have been received on the next following Business Day.

9.11 Subdivision Control

This Agreement and the Transactions are subject to compliance with Section 50 of the *Planning Act* (Ontario).

9.12 Effect of Termination of Agreement

Notwithstanding the termination of this Agreement for any reason, the confidentiality provisions contained in Section 2.4 of this Agreement shall survive termination and shall remain in full force and effect.

9.13 Press Release

Neither the Receiver nor the Purchaser shall issue a press release or other public announcement with respect to the Transaction, whether prior to or after Closing, unless the content thereof has been mutually approved by the Receiver and the Purchaser, each acting reasonably. Provided, however, that in no event shall the foregoing preclude disclosure required under applicable securities law, so long as all reasonable commercial efforts are made prior to disclosure to obtain the other party's approval of the content of such press release or other public announcement.

This Section 9.13 shall survive Closing.

9.14 Counterparts, etc.

All parties agree that this Agreement may be executed in counterpart and transmitted by e-mail and that the reproduction of signatures in counterpart by way of e-mail will be treated as though such reproduction were executed originals. Each party undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time after the Execution Date.

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IN WITNESS WHEREOF the Receiver and Purchaser have executed this Agreement as evidenced by their properly authorized officers as of the day and year first above written.

KSV KOFMAN INC., solely in its capacity as
Court-appointed receiver of all of the assets,
undertakings and properties of, *inter alia*, 1033803
Ontario Inc., and not in its personal capacity

Per: _____

2657897 ONTARIO INC.

Per: _____

Signature Page -- Agreement of Purchase and Sale (Brampton)

SCHEDULE A

LANDS - LEGAL DESCRIPTION

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

SCHEDULE B

PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including the reservation of any mines and minerals in the Crown or in any other Person, provided same have been complied with to the Closing Date.
2. Inchoate or statutory liens for unpaid taxes, local improvement rates or water rates.
3. Any municipal by-laws or regulations affecting the Property or its use and any other municipal land use instruments including, without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom, and all applicable building codes, in each case which do not materially impair the present use of the Property.
4. Easements for the supply of utilities or telephone services to the Property and for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services, whether registered or unregistered.
5. Title defects or irregularities which are of a minor nature and will not materially impair the use or marketability of the Property.
6. The provisions of Section 44(1)6, 7, 8, 9, 10 and 12 of the *Land Titles Act* (Ontario).
7. The specific encumbrances listed on Exhibit 1 attached hereto.

**EXHIBIT 1
TO SCHEDULE B**

SPECIFIC ENCUMBRANCES

Each of the following, but only to the extent that the Receiver has complied with the terms of the following:

1. Instrument No. PR713076 registered on 2004/09/03 being a NOTICE in favour of THE CORPORATION OF THE CITY OF BRAMPTON
2. Instrument No. R1385008 registered on 2007/12/05 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of THE REGIONAL MUNICIPALITY OF PEEL
3. Instrument No. PR1385011 registered on 2007/12/05 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of HYDRO ONE BRAMPTON NETWORKS INC.
4. Instrument No. PR2261758 registered on 2012/09/06 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of THE REGIONAL MUNICIPALITY OF PEEL
5. Instrument No. PR2264402 registered on 2012/09/12 being a NOTICE in favour of THE CORPORATION OF THE CITY OF BRAMPTON
6. Instrument No. PR2264436 registered on 2012/09/12 being a TRANSFER EASEMENT by 1033803 ONTARIO INC. in favour of HYDRO ONE BRAMPTON NETWORKS INC.

SCHEDULE C

BIDDING PROCEDURES

(See Attached)

BIDDING PROCEDURES

Introduction

On November 19, 2018, the Superior Court of Justice (Commercial List) (the “**Court**”) made an order (the “**Receivership Order**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule “A” hereto (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario (such proceedings, the “**Receivership Proceedings**”).

The Receiver intends to bring a motion before the Court on December 13, 2018, for an order (the “**Bidding Procedures Order**”, and such motion the “**Bidding Procedures Approval Motion**”) approving: (i) the agreement of purchase and sale (the “**Stalking Horse Bid**”) made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (the “**Stalking Horse Bidder**”) pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands; and (ii) the bidding procedures as described in this document (the “**Bidding Procedures**”).

This document contains the Bidding Procedures to be followed by the Receiver in connection with the sale (the “**Sale**”) of the Lands. The Receiver will conduct the Bidding Procedures in accordance with the Bidding Procedures Order. All amounts specified herein are in Canadian dollars.

Assets to Be Sold

The Receiver is offering for sale all of Forma-Con’s right, title and interest in and to the Lands.

The Bidding Procedures

The Bidding Procedures Order approves the retention of Intercity Realty Inc. (the “**Broker**”) to act as real estate broker and listing agent for the Lands, and the entry into a retention agreement with the Broker by the Receiver, among other things.

Interested parties may be provided by the Receiver with such access to due diligence materials and information relating to the Lands as the Receiver deems appropriate in its reasonable business judgment. In the Receiver’s sole discretion, this may include the provision of access to an electronic data room of due diligence information. The Receiver, in its sole discretion, may also require interested parties to execute a form of non-disclosure agreement in form and substance satisfactory to the Receiver prior to the provision of any such access.

The Receiver shall have the right to adopt such other rules for the Bidding Procedures (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Procedures and/or achieving a Sale. The Receiver may

seek Court approval of an amendment to the Bid Procedures that it considers material. The extension of any deadline by up to two weeks shall not be considered material.

Bid Deadline

An interested party that desires to make a bid shall deliver written copies of its bid (including the Required Bid Terms and Materials) to the Broker, with a copy to the Receiver, by 5:00 p.m. (Toronto time) on January 18, 2018 (the “**Bid Deadline**”).

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Receiver, the following:

- (i) A base cash purchase price equal to or greater than \$16,750,000, which is the amount of the Stalking Horse Bid plus \$250,000; provided, however, that in the case of a Credit Bid (as defined below), all or part of the consideration will not be in cash;
- (ii) A provision stating that the bidder’s offer is irrevocably open for acceptance until the first business day after the Lands have been sold pursuant to the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order;
- (iii) Disclosure of the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Lands or otherwise participating in such bid and the complete terms of any such participation;
- (iv) Written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction comprising such bid, that will allow the Receiver to make a determination as to the bidder’s financial and other capabilities to consummate the proposed transaction;
- (v) Written evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (vi) An acknowledgment and representations of the bidder that: (A) it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid; (B) it has relied solely upon its own independent review, investigation and/or inspection of the Lands (including, without limitation, any documents in connection therewith) in making its bid; and (C) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Lands or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver and approved by the Court;

- (vii) An executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting any variations from the Stalking Horse Bid; and
- (viii) A cash deposit in the amount of 15% of the purchase price in the form of a wire transfer, certified cheque or such other form acceptable to the Receiver (the "**Bid Deposit**"), which shall be held by the Receiver in an escrow account (the "**Escrow Account**"). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest to the purchase price payable by it under its bid on the closing thereof or as otherwise provided for in the purchase agreement; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer;

provided, however, that a bid shall not be subject to further due diligence, financing, bid protections, expense reimbursement, third party approvals or any other conditions or conditions precedent except those that are customary in a transaction of this nature (collectively, the "**Required Bid Terms and Materials**").

A bid received from a bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a "**Qualified Bid**", and such bidder is a "**Qualified Bidder**". Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid and the Stalking Horse Bidder shall be deemed a Qualified Bidder.

The Receiver may waive strict compliance with the Bid Deadline or any one or more of the Required Bid Terms and Materials deem such non-compliant bid to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Receiver of the Bid Deadline or the Required Bid Terms and Materials or an obligation on the part of the Receiver to designate any other bid as a Qualified Bid. At any time during the Bidding Procedures, the Receiver may, in its reasonable business judgment, eliminate an interested party, a bidder or a Qualified Bidder (other than the Stalking Horse Bidder) from the Bidding Procedures, in which case such party will no longer be an interested party, bidder or a Qualified Bidder for the purposes of the Bidding Procedures.

Credit Bids

Other than the Stalking Horse Bidder, no bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of Forma-Con (a "Credit Bid"). The Stalking Horse Bidder shall be permitted to Credit Bid up to the full face value of the secured indebtedness of Forma-Con.

"As Is, Where Is, With All Faults"

The sale of the Lands shall be on an "as is, where is" and "with all faults" basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Receiver or its agents, counsel, representatives, partners or employees, or any of the other parties participating in the procedures outlined in these Bidding Procedures, except as may otherwise be provided in a definitive purchase agreement with the

Receiver. Any party (including, without limitation, a Qualified Bidder) shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Lands in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Lands, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Receiver.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, all of Forma-Con's right, title and interest in and to the Lands shall be sold free and clear of all liens and encumbrances pursuant to the Sale Approval Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

Selection of Successful Bidder

If one or more Qualified Bids is received by the Bid Deadline or so designated by the Receiver, all such Qualified Bidders shall proceed to an auction with the Stalking Horse Bidder (an "**Auction**"), which shall proceed according to the Auction Procedures set out in Schedule "B" hereto (the "**Auction Procedures**") to identify the Successful Bidder. In such event, the Receiver shall determine, in its reasonable business judgment, which Qualified Bid is the highest and/or best bid (the "**Lead Bid**"). In determining the Lead Bid, the Receiver may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; and (v) the net economic effect of any changes from the Stalking Horse Bid; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder.

The "**Successful Bid**" will be either (i) the Stalking Horse Bid if no Qualified Bid is received by the Bid Deadline or so designated by the Receiver; (ii) in the event of an Auction, the highest and best bid as determined by the Receiver at the Auction; or (iii) a bid that is so designated by the Receiver in the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order (as defined below) does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder). The party that submitted the Successful Bid is referred to herein as the "**Successful Bidder**".

Sale Approval Motion

Subject to the availability of the Court, within ten (10) business days following the conclusion of the Auction, the Receiver shall bring a motion (the “**Sale Approval Motion**”) for an order of the Court authorizing and approving the Sale of the Lands to the Successful Bidder (such order, as approved, the “**Sale Approval Order**”). At the hearing of the Sale Approval Motion, the Receiver shall, among other things, seek approval from the Court to consummate the Successful Bid.

Acceptance of Qualified Bids

The sale of the Lands to any Successful Bidder by the Receiver is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The Receiver's presentation of the Successful Bid to the Court for approval does not obligate the Receiver to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. All of the Qualified Bids other than the Successful Bid, shall be deemed rejected by the Receiver on and as of the date of the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order.

In the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder), the Receiver shall be authorized, but not required, to: (a) exercise such rights and remedies as are available to the Receiver under the Successful Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Successful Bid and that the Successful Bidder has forfeited its Deposit to the Receiver; (b) accept any Qualified Bid or other bid of a Qualified Bidder, including, without limitation, a bid made at the Auction, in which case such bid and bidder shall be a Successful Bid and Successful Bidder, respectively, for the purposes of these Bidding Procedures, and close the transaction under such bid; and/or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages and remedies, including specific performance, from any defaulting Successful Bidder.

Miscellaneous

The Receiver will oversee, in all respects, the conduct of the Bidding Procedures and, without limitation, the Receiver will participate in the Bidding Procedures in the manner set out in these Bidding Procedures and the Bidding Procedures Order. All discussions or inquiries regarding the Bidding Procedures should be directed to the Receiver.

The Sale Process and these Bidding Procedures are solely for the benefit of the Receiver and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. Other than as specifically set forth in the Broker's retention agreement, the Stalking Horse Bid or in a definitive agreement between the Receiver and another Successful Bidder, the Bidding Procedures do not, and will not be interpreted to create any contractual or other legal relationship among Forma-Con, the Receiver,

the Broker, any interested party, any bidder, and Qualified Bidder, the Successful Bidder, or any other party.

The receiver may consult with any other parties with a material interest in the Receivership Proceedings regarding the status and material information and developments relating to the Bidding Procedures to the extent considered appropriate by the Receiver; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Receiver.

Subject to the terms of the Receivership Order, participants in the Bidding Procedures are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bids, participation in the Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order and the Bidding Procedures.

Schedule "A"

Legal Description of the Lands

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule "B"

Auction Procedures

1. If the Receiver determines to conduct an Auction pursuant to the Bidding Procedures, the Receiver will notify the Qualified Bidders who made a Qualified Bid that the Auction will be held at the offices of Torys LLP at 10:00 a.m. (Toronto time) on date that is determined by the Receiver, provided that that is not later than five business days after the Bid Deadline, or such other place and time as the Receiver may advise. Capitalized terms used but not defined have the meaning given to them in the Bidding Procedures.
2. The Auction shall be conducted in accordance with the following procedures:
 - (a) Participation At The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Receiver shall provide all Qualified Bidders with the amount of the Leading Bid, a copy thereof and a blackline to the Stalking Horse Bid by 5:00pm (Toronto Time) two business days before the scheduled date of the Auction. Each Qualified Bidder must inform the Receiver whether it intends to participate in the Auction no later than 12:00 p.m. (Toronto time) on the business day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Receiver, Forma-Con, Bridging Finance Inc. and their respective counsel and other advisors shall be permitted to attend the Auction.
 - (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - (c) Receiver Shall Conduct The Auction. The Receiver and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Receiver shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any and all factors that the Receiver reasonably deems relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment (collectively, the "**Bid Assessment Criteria**"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best

Overbid shall be fully disclosed to all other Qualified Bidders that are participating in the Auction. The Receiver shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Receiver’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in such increments as the Receiver may determine in order to facilitate the Auction (the “**Minimum Overbid Increment**”). The amount of any Overbid shall not be less than the amount of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Receiver shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid and the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
 - (iv) *Consideration of Overbids:* The Receiver reserves the right to make one or more adjournments in the Auction to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (C) give Qualified Bidders the opportunity to provide the Receiver with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Receiver may have clarifying discussions with a Qualified Bidder, and the Receiver may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions.
 - (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the Auction.

- (vi) *Credit Bids:* Bids at the Auction by the Stalking Horse Bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid up to the full face value of secured indebtedness of Forma-Con (a “**Credit Bid**”). No other Qualified Bidder may Credit Bid at the Auction.

- (e) Additional Procedures. The Receiver may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Bidding Procedures (including these Auction Procedures) and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- (f) Closing the Auction. The Auction shall be closed after the Receiver has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and advised the Qualified Bidders participating in the Auction of such determination.

- (g) Finalizing Documentation. Promptly following a bid of a Qualified Bidder being declared the Successful Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid.

SCHEDULE D

APPROVAL AND VESTING ORDER

(See Attached)

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEEKDAY, THE #
)	
JUSTICE)	DAY OF MONTH, 20YR

B E T W E E N:

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Kofman Inc. in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and 2657897 Ontario Inc. (the “**Purchaser**”) dated [DATE] and appended to the Report of the Receiver dated [DATE] (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Lands (as defined in the Sale Agreement, and as further set out on Schedule A hereto), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Lands to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule B hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Lands shall vest absolutely in the Purchaser, 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, encumbrances, 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) any encumbrances or charges created by the Order of the Honourable Justice Hainey dated November 19, 2018; 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; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.

3. **THIS COURT ORDERS** that upon the registration in the Land Titles Division of Peel (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar for the Land Titles Division of Peel (No. 43) is hereby directed to enter the Purchaser as the owner of the Lands in fee simple, and is hereby directed to delete and expunge from title to the Lands all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. **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) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Lands in the Purchaser 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 nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) 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.

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

SCHEDULE A- Lands - Legal Description

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule B – Receiver’s Certificate

Court File No. CV-18-608978-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Haaney of the Ontario Superior Court of Justice (the “**Court**”) dated November 19, 2018, KSV Kofman Inc. was appointed as the receiver (the “**Receiver**”) of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of ●, 2018 (the “**Sale Agreement**”) between the Receiver and 2657897 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) that the conditions to Closing as set out in Sections [4.1 and 4.2] of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (ii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The conditions to Closing as set out in Sections **[4.1 and 4.2]** of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV Kofman Inc., in its capacity as Receiver
of the undertaking, property and assets of,
inter alia, 1033803 Ontario Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule C – Claims to be deleted and expunged from title to Real Property

Party From	Party To	Instrument Type	Registration Number
1033803 Ontario Inc.	Bridging Finance Inc.	Charge/mortgage	PR3170291 (2017/07/25)
1033803 Ontario Inc.	Bridging Finance Inc.	Notice of assignment of rents - general	PR3170292 (2017/07/25)

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Appendix "D"

BIDDING PROCEDURES

Introduction

On November 19, 2018, the Superior Court of Justice (Commercial List) (the “**Court**”) made an order (the “**Receivership Order**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule “A” hereto (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario (such proceedings, the “**Receivership Proceedings**”).

The Receiver intends to bring a motion before the Court on December 13, 2018, for an order (the “**Bidding Procedures Order**”, and such motion the “**Bidding Procedures Approval Motion**”) approving: (i) the agreement of purchase and sale (the “**Stalking Horse Bid**”) made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (the “**Stalking Horse Bidder**”) pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands; and (ii) the bidding procedures as described in this document (the “**Bidding Procedures**”).

This document contains the Bidding Procedures to be followed by the Receiver in connection with the sale (the “**Sale**”) of the Lands. The Receiver will conduct the Bidding Procedures in accordance with the Bidding Procedures Order. All amounts specified herein are in Canadian dollars.

Assets to Be Sold

The Receiver is offering for sale all of Forma-Con’s right, title and interest in and to the Lands.

The Bidding Procedures

The Bidding Procedures Order approves the retention of Intercity Realty Inc. (the “**Broker**”) to act as real estate broker and listing agent for the Lands, and the entry into a retention agreement with the Broker by the Receiver, among other things.

Interested parties may be provided by the Receiver with such access to due diligence materials and information relating to the Lands as the Receiver deems appropriate in its reasonable business judgment. In the Receiver’s sole discretion, this may include the provision of access to an electronic data room of due diligence information. The Receiver, in its sole discretion, may also require interested parties to execute a form of non-disclosure agreement in form and substance satisfactory to the Receiver prior to the provision of any such access.

The Receiver shall have the right to adopt such other rules for the Bidding Procedures (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Procedures and/or achieving a Sale. The Receiver may

seek Court approval of an amendment to the Bid Procedures that it considers material. The extension of any deadline by up to two weeks shall not be considered material.

Bid Deadline

An interested party that desires to make a bid shall deliver written copies of its bid (including the Required Bid Terms and Materials) to the Broker, with a copy to the Receiver, by 5:00 p.m. (Toronto time) on January 18, 2018 (the "**Bid Deadline**").

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Receiver, the following:

- (i) A base cash purchase price equal to or greater than \$16,750,000, which is the amount of the Stalking Horse Bid plus \$250,000; provided, however, that in the case of a Credit Bid (as defined below), all or part of the consideration will not be in cash;
- (ii) A provision stating that the bidder's offer is irrevocably open for acceptance until the first business day after the Lands have been sold pursuant to the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order;
- (iii) Disclosure of the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Lands or otherwise participating in such bid and the complete terms of any such participation;
- (iv) Written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction comprising such bid, that will allow the Receiver to make a determination as to the bidder's financial and other capabilities to consummate the proposed transaction;
- (v) Written evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (vi) An acknowledgment and representations of the bidder that: (A) it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid; (B) it has relied solely upon its own independent review, investigation and/or inspection of the Lands (including, without limitation, any documents in connection therewith) in making its bid; and (C) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Lands or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver and approved by the Court;

- (vii) An executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting any variations from the Stalking Horse Bid; and
- (viii) A cash deposit in the amount of 15% of the purchase price in the form of a wire transfer, certified cheque or such other form acceptable to the Receiver (the "**Bid Deposit**"), which shall be held by the Receiver in an escrow account (the "**Escrow Account**"). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest to the purchase price payable by it under its bid on the closing thereof or as otherwise provided for in the purchase agreement; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer;

provided, however, that a bid shall not be subject to further due diligence, financing, bid protections, expense reimbursement, third party approvals or any other conditions or conditions precedent except those that are customary in a transaction of this nature (collectively, the "**Required Bid Terms and Materials**").

A bid received from a bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a "**Qualified Bid**", and such bidder is a "**Qualified Bidder**". Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid and the Stalking Horse Bidder shall be deemed a Qualified Bidder.

The Receiver may waive strict compliance with the Bid Deadline or any one or more of the Required Bid Terms and Materials deem such non-compliant bid to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Receiver of the Bid Deadline or the Required Bid Terms and Materials or an obligation on the part of the Receiver to designate any other bid as a Qualified Bid. At any time during the Bidding Procedures, the Receiver may, in its reasonable business judgment, eliminate an interested party, a bidder or a Qualified Bidder (other than the Stalking Horse Bidder) from the Bidding Procedures, in which case such party will no longer be an interested party, bidder or a Qualified Bidder for the purposes of the Bidding Procedures.

Credit Bids

Other than the Stalking Horse Bidder, no bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of Forma-Con (a "Credit Bid"). The Stalking Horse Bidder shall be permitted to Credit Bid up to the full face value of the secured indebtedness of Forma-Con.

"As Is, Where Is, With All Faults"

The sale of the Lands shall be on an "as is, where is" and "with all faults" basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Receiver or its agents, counsel, representatives, partners or employees, or any of the other parties participating in the procedures outlined in these Bidding Procedures, except as may otherwise be provided in a definitive purchase agreement with the Receiver. Any party (including, without limitation, a Qualified Bidder) shall be deemed to

acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Lands in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Lands, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Receiver.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, all of Forma-Con's right, title and interest in and to the Lands shall be sold free and clear of all liens and encumbrances pursuant to the Sale Approval Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

Selection of Successful Bidder

If one or more Qualified Bids is received by the Bid Deadline or so designated by the Receiver, all such Qualified Bidders shall proceed to an auction with the Stalking Horse Bidder (an "**Auction**"), which shall proceed according to the Auction Procedures set out in Schedule "B" hereto (the "**Auction Procedures**") to identify the Successful Bidder. In such event, the Receiver shall determine, in its reasonable business judgment, which Qualified Bid is the highest and/or best bid (the "**Lead Bid**"). In determining the Lead Bid, the Receiver may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; and (v) the net economic effect of any changes from the Stalking Horse Bid; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder.

The "**Successful Bid**" will be either (i) the Stalking Horse Bid if no Qualified Bid is received by the Bid Deadline or so designated by the Receiver; (ii) in the event of an Auction, the highest and best bid as determined by the Receiver at the Auction; or (iii) a bid that is so designated by the Receiver in the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order (as defined below) does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder). The party that submitted the Successful Bid is referred to herein as the "**Successful Bidder**".

Sale Approval Motion

Subject to the availability of the Court, within ten (10) business days following the conclusion of the Auction, the Receiver shall bring a motion (the "**Sale Approval Motion**") for an order of the Court authorizing and approving the Sale of the Lands to the Successful Bidder (such order, as

approved, the “**Sale Approval Order**”). At the hearing of the Sale Approval Motion, the Receiver shall, among other things, seek approval from the Court to consummate the Successful Bid.

Acceptance of Qualified Bids

The sale of the Lands to any Successful Bidder by the Receiver is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The Receiver's presentation of the Successful Bid to the Court for approval does not obligate the Receiver to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. All of the Qualified Bids other than the Successful Bid, shall be deemed rejected by the Receiver on and as of the date of the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order.

In the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder), the Receiver shall be authorized, but not required, to: (a) exercise such rights and remedies as are available to the Receiver under the Successful Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Successful Bid and that the Successful Bidder has forfeited its Deposit to the Receiver; (b) accept any Qualified Bid or other bid of a Qualified Bidder, including, without limitation, a bid made at the Auction, in which case such bid and bidder shall be a Successful Bid and Successful Bidder, respectively, for the purposes of these Bidding Procedures, and close the transaction under such bid; and/or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages and remedies, including specific performance, from any defaulting Successful Bidder.

Miscellaneous

The Receiver will oversee, in all respects, the conduct of the Bidding Procedures and, without limitation, the Receiver will participate in the Bidding Procedures in the manner set out in these Bidding Procedures and the Bidding Procedures Order. All discussions or inquiries regarding the Bidding Procedures should be directed to the Receiver.

The Sale Process and these Bidding Procedures are solely for the benefit of the Receiver and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. Other than as specifically set forth in the Broker's retention agreement, the Stalking Horse Bid or in a definitive agreement between the Receiver and another Successful Bidder, the Bidding Procedures do not, and will not be interpreted to create any contractual or other legal relationship among Forma-Con, the Receiver, the Broker, any interested party, any bidder, and Qualified Bidder, the Successful Bidder, or any other party.

The receiver may consult with any other parties with a material interest in the Receivership Proceedings regarding the status and material information and developments relating to the Bidding Procedures to the extent considered appropriate by the Receiver; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Receiver.

Subject to the terms of the Receivership Order, participants in the Bidding Procedures are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bids, participation in the Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order and the Bidding Procedures.

Schedule "A"

Legal Description of the Lands

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule "B"

Auction Procedures

1. If the Receiver determines to conduct an Auction pursuant to the Bidding Procedures, the Receiver will notify the Qualified Bidders who made a Qualified Bid that the Auction will be held at the offices of Torys LLP at 10:00 a.m. (Toronto time) on date that is determined by the Receiver, provided that that is not later than five business days after the Bid Deadline, or such other place and time as the Receiver may advise. Capitalized terms used but not defined have the meaning given to them in the Bidding Procedures.
2. The Auction shall be conducted in accordance with the following procedures:
 - (a) Participation At The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Receiver shall provide all Qualified Bidders with the amount of the Leading Bid, a copy thereof and a blackline to the Stalking Horse Bid by 5:00pm (Toronto Time) two business days before the scheduled date of the Auction. Each Qualified Bidder must inform the Receiver whether it intends to participate in the Auction no later than 12:00 p.m. (Toronto time) on the business day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Receiver, Forma-Con, Bridging Finance Inc. and their respective counsel and other advisors shall be permitted to attend the Auction.
 - (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - (c) Receiver Shall Conduct The Auction. The Receiver and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Receiver shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any and all factors that the Receiver reasonably deems relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment (collectively, the "**Bid Assessment Criteria**"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed

to all other Qualified Bidders that are participating in the Auction. The Receiver shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Receiver’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in such increments as the Receiver may determine in order to facilitate the Auction (the “**Minimum Overbid Increment**”). The amount of any Overbid shall not be less than the amount of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Receiver shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid and the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
 - (iv) *Consideration of Overbids:* The Receiver reserves the right to make one or more adjournments in the Auction to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (C) give Qualified Bidders the opportunity to provide the Receiver with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Receiver may have clarifying discussions with a Qualified Bidder, and the Receiver may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions.
 - (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the Auction.

- (vi) *Credit Bids*: Bids at the Auction by the Stalking Horse Bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid up to the full face value of secured indebtedness of Forma-Con (a “**Credit Bid**”). No other Qualified Bidder may Credit Bid at the Auction.

- (e) Additional Procedures. The Receiver may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Bidding Procedures (including these Auction Procedures) and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- (f) Closing the Auction. The Auction shall be closed after the Receiver has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and advised the Qualified Bidders participating in the Auction of such determination.

- (g) Finalizing Documentation. Promptly following a bid of a Qualified Bidder being declared the Successful Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid.



TAB3

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

THE HONOURABLE
JUSTICE

)
)
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THURSDAY, THE 13TH
DAY OF DECEMBER, 2018

BETWEEN

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

- and -

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED;
AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(Approval of Brampton Stalking Horse Agreement and Bidding Procedures)**

THIS MOTION, made by KSV Kofman Inc. (“**KSV**”), in its capacity as the Court-appointed receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario ((i) – (ii), collectively, the “**Property**”),

for an order approving: (i) the stalking horse agreement of purchase and sale made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (“**265**” or the “**Stalking Horse Bidder**”) pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands (the “**Stalking Horse Agreement**”), which Stalking Horse Agreement is appended as Appendix “C” to the First Report (as defined below); (ii) related bidding procedures (the “**Bidding Procedures**”) to be followed by the Receiver in connection with the sale (the “**Sale**”) of the Lands, which Bidding Procedures are attached as Schedule “A” hereto; (iii) the engagement of Intercity Realty Inc. (“**Intercity**”) as listing agent in connection with the Bidding Procedures and the Sale of the Lands pursuant to the listing agreement between the Receiver and Intercity dated December ■, 2018 (the “**Listing Agreement**”); (iv) the termination agreement (the “**Termination Agreement**”) dated as of December 6, 2018, between the Receiver and 265 in connection with the agreement of purchase and sale in connection with the Lands dated October 4, 2018, between Forma-Con and 265 (the “**Original APS**”), which Termination Agreement is appended as Appendix “B” to the First Report; (v) the First Report of the Receiver dated December 7, 2018 (the “**First Report**”); and (vi) certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion and Motion Record, each dated December 7, 2018, filed, and the First Report, filed, and on hearing the submissions of counsel for the Receiver, counsel for the Stalking Horse Bidder and Bridging Finance Inc., and such other counsel appearing on the counsel slip, no one else appearing although properly served as appears from the affidavit of service of ■ sworn December ■, 2018, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the Bidding Procedures.

APPROVAL OF STALKING HORSE AGREEMENT

3. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Receiver of the Stalking Horse Agreement, be and is hereby ratified, authorized and approved; provided, however, that nothing contained in this Order approves the sale or the vesting of the Lands to or in the Stalking Horse Bidder pursuant to the Stalking Horse Agreement and that, if the Stalking Horse Bid is the Successful Bid under the Bidding Procedures, the approval of the sale and the vesting of the Lands to and in the Stalking Horse Bidder shall be considered by this Court on a subsequent motion following the completion of the Bidding procedures, all in accordance with the terms of the Bidding Procedures.

4. **THIS COURT ORDERS** that the Stalking Horse Agreement be and is hereby approved and accepted solely for the purpose of constituting the Stalking Horse Bid under the Bidding Procedures.

5. **THIS COURT DECLARES** that the Stalking Horse Bidder is a party to these proceedings.

6. **THIS COURT ORDERS** that the Stalking Horse Agreement shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidder thereunder shall not otherwise be limited or impaired in any way by: (a) these receivership proceedings and any findings of insolvency made in connection therewith; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement of Forma-Con (each, an “**Agreement**”), and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreement shall not create or be deemed to constitute a breach of any Agreement; and

- (b) the Stalking Horse Bidder shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the execution, delivery or performance of the Stalking Horse Agreement.

APPROVAL OF BIDDING PROCEDURES

7. **THIS COURT ORDERS** that the Bidding Procedures be and are hereby approved and the Receiver is hereby authorized and directed to take such steps as it deems necessary or advisable (subject to the terms of the Bidding Procedures) to carry out the Bidding Procedures, subject to prior approval of this Court being obtained before completion of any Sale of the Lands under the Bidding Procedures.

8. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the Bidding Procedures, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Receiver, as applicable, as determined by the Court.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is hereby authorized and permitted to disclose and transfer to each interested party, bidder and Qualified Bidder (including, without limitation, the Stalking Horse Bidder) and to their respective advisors and representatives, if requested by them, personal information of identifiable individuals, but only to the extent desirable or required to negotiate or attempt to complete a Sale of the Lands. Each interested party, bidder and Qualified Bidder (including, without limitation, the Stalking Horse Bidder) or advisor or representative to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Receiver. The Successful Bidder shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Successful Bid, shall be entitled to use the personal information provided to it that is related to the Lands in a

manner that is in all material respects identical to the prior use of such information by Forma-Con, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

APPROVAL OF LISTING AGREEMENT

10. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Receiver of the Listing Agreement, be and is hereby ratified, authorized and approved, and that the Receiver be and is hereby authorized to make any payments to Intercity that may become due and payable thereunder.

APPROVAL OF TERMINATION AGREEMENT

11. **THIS COURT ORDERS** that the execution, delivery, entry into, compliance with, and performance by the Receiver of the Termination Agreement, be and is hereby ratified, authorized and approved, and that the Original APS be and is hereby terminated pursuant to the Termination Agreement.

APPROVAL OF FIRST REPORT

12. **THIS COURT ORDERS** that the First Report be and is hereby approved.

GENERAL

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

14. **THIS COURT ORDERS** that at any time during the process provided for under the Bidding Procedures, the Receiver or the Stalking Horse Bidder may apply to this Court for directions with respect to the Bidding Procedures.

Schedule "A"
Bidding Procedures

BIDDING PROCEDURES

Introduction

On November 19, 2018, the Superior Court of Justice (Commercial List) (the “**Court**”) made an order (the “**Receivership Order**”) appointing KSV Kofman Inc. (“**KSV**”) as receiver and manager (KSV, in such capacity, the “**Receiver**”) of: (i) all of the assets, undertakings and properties of 1033803 Ontario Inc. (operating as Forma-Con Construction and Forma Finishing) (“**Forma-Con**”), including without limitation, the lands municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) and legally described in Schedule “A” hereto (the “**Lands**”) and 1087507 Ontario Limited; (ii) certain assets of Bondfield Construction Company Limited and Bondfield Construction Equipment Ltd; and (iii) the real property known municipally as 131 Saramia Crescent, Vaughan, Ontario (such proceedings, the “**Receivership Proceedings**”).

The Receiver intends to bring a motion before the Court on December 13, 2018, for an order (the “**Bidding Procedures Order**”, and such motion the “**Bidding Procedures Approval Motion**”) approving: (i) the agreement of purchase and sale (the “**Stalking Horse Bid**”) made as of December 6, 2018, between the Receiver and 2657897 Ontario Inc. (the “**Stalking Horse Bidder**”) pursuant to which the Stalking Horse Bidder has agreed to purchase the Lands; and (ii) the bidding procedures as described in this document (the “**Bidding Procedures**”).

This document contains the Bidding Procedures to be followed by the Receiver in connection with the sale (the “**Sale**”) of the Lands. The Receiver will conduct the Bidding Procedures in accordance with the Bidding Procedures Order. All amounts specified herein are in Canadian dollars.

Assets to Be Sold

The Receiver is offering for sale all of Forma-Con’s right, title and interest in and to the Lands.

The Bidding Procedures

The Bidding Procedures Order approves the retention of Intercity Realty Inc. (the “**Broker**”) to act as real estate broker and listing agent for the Lands, and the entry into a retention agreement with the Broker by the Receiver, among other things.

Interested parties may be provided by the Receiver with such access to due diligence materials and information relating to the Lands as the Receiver deems appropriate in its reasonable business judgment. In the Receiver’s sole discretion, this may include the provision of access to an electronic data room of due diligence information. The Receiver, in its sole discretion, may also require interested parties to execute a form of non-disclosure agreement in form and substance satisfactory to the Receiver prior to the provision of any such access.

The Receiver shall have the right to adopt such other rules for the Bidding Procedures (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Procedures and/or achieving a Sale. The Receiver may

seek Court approval of an amendment to the Bid Procedures that it considers material. The extension of any deadline by up to two weeks shall not be considered material.

Bid Deadline

An interested party that desires to make a bid shall deliver written copies of its bid (including the Required Bid Terms and Materials) to the Broker, with a copy to the Receiver, by 5:00 p.m. (Toronto time) on January 18, 2018 (the "**Bid Deadline**").

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Receiver, the following:

- (i) A base cash purchase price equal to or greater than \$16,750,000, which is the amount of the Stalking Horse Bid plus \$250,000; provided, however, that in the case of a Credit Bid (as defined below), all or part of the consideration will not be in cash;
- (ii) A provision stating that the bidder's offer is irrevocably open for acceptance until the first business day after the Lands have been sold pursuant to the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order;
- (iii) Disclosure of the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Lands or otherwise participating in such bid and the complete terms of any such participation;
- (iv) Written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction comprising such bid, that will allow the Receiver to make a determination as to the bidder's financial and other capabilities to consummate the proposed transaction;
- (v) Written evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the bid;
- (vi) An acknowledgment and representations of the bidder that: (A) it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid; (B) it has relied solely upon its own independent review, investigation and/or inspection of the Lands (including, without limitation, any documents in connection therewith) in making its bid; and (C) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Lands or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver and approved by the Court;

- (vii) An executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting any variations from the Stalking Horse Bid; and
- (viii) A cash deposit in the amount of 15% of the purchase price in the form of a wire transfer, certified cheque or such other form acceptable to the Receiver (the "**Bid Deposit**"), which shall be held by the Receiver in an escrow account (the "**Escrow Account**"). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest to the purchase price payable by it under its bid on the closing thereof or as otherwise provided for in the purchase agreement; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer;

provided, however, that a bid shall not be subject to further due diligence, financing, bid protections, expense reimbursement, third party approvals or any other conditions or conditions precedent except those that are customary in a transaction of this nature (collectively, the "**Required Bid Terms and Materials**").

A bid received from a bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a "**Qualified Bid**", and such bidder is a "**Qualified Bidder**". Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid and the Stalking Horse Bidder shall be deemed a Qualified Bidder.

The Receiver may waive strict compliance with the Bid Deadline or any one or more of the Required Bid Terms and Materials deem such non-compliant bid to be a Qualified Bid, provided that doing so shall not constitute a waiver by the Receiver of the Bid Deadline or the Required Bid Terms and Materials or an obligation on the part of the Receiver to designate any other bid as a Qualified Bid. At any time during the Bidding Procedures, the Receiver may, in its reasonable business judgment, eliminate an interested party, a bidder or a Qualified Bidder (other than the Stalking Horse Bidder) from the Bidding Procedures, in which case such party will no longer be an interested party, bidder or a Qualified Bidder for the purposes of the Bidding Procedures.

Credit Bids

Other than the Stalking Horse Bidder, no bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid of secured indebtedness of Forma-Con (a "Credit Bid"). The Stalking Horse Bidder shall be permitted to Credit Bid up to the full face value of the secured indebtedness of Forma-Con.

"As Is, Where Is, With All Faults"

The sale of the Lands shall be on an "as is, where is" and "with all faults" basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Receiver or its agents, counsel, representatives, partners or employees, or any of the other parties participating in the procedures outlined in these Bidding Procedures, except as may otherwise be provided in a definitive purchase agreement with the Receiver. Any party (including, without limitation, a Qualified Bidder) shall be deemed to

acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Lands prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Lands in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Lands, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Receiver.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, all of Forma-Con's right, title and interest in and to the Lands shall be sold free and clear of all liens and encumbrances pursuant to the Sale Approval Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

Selection of Successful Bidder

If one or more Qualified Bids is received by the Bid Deadline or so designated by the Receiver, all such Qualified Bidders shall proceed to an auction with the Stalking Horse Bidder (an "**Auction**"), which shall proceed according to the Auction Procedures set out in Schedule "B" hereto (the "**Auction Procedures**") to identify the Successful Bidder. In such event, the Receiver shall determine, in its reasonable business judgment, which Qualified Bid is the highest and/or best bid (the "**Lead Bid**"). In determining the Lead Bid, the Receiver may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; and (v) the net economic effect of any changes from the Stalking Horse Bid; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder.

The "**Successful Bid**" will be either (i) the Stalking Horse Bid if no Qualified Bid is received by the Bid Deadline or so designated by the Receiver; (ii) in the event of an Auction, the highest and best bid as determined by the Receiver at the Auction; or (iii) a bid that is so designated by the Receiver in the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order (as defined below) does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder). The party that submitted the Successful Bid is referred to herein as the "**Successful Bidder**".

Sale Approval Motion

Subject to the availability of the Court, within ten (10) business days following the conclusion of the Auction, the Receiver shall bring a motion (the "**Sale Approval Motion**") for an order of the Court authorizing and approving the Sale of the Lands to the Successful Bidder (such order, as

approved, the “**Sale Approval Order**”). At the hearing of the Sale Approval Motion, the Receiver shall, among other things, seek approval from the Court to consummate the Successful Bid.

Acceptance of Qualified Bids

The sale of the Lands to any Successful Bidder by the Receiver is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The Receiver's presentation of the Successful Bid to the Court for approval does not obligate the Receiver to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. All of the Qualified Bids other than the Successful Bid, shall be deemed rejected by the Receiver on and as of the date of the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order.

In the event that the closing of the Sale that is approved by the Court pursuant to the Sale Approval Order does not occur by the required date pursuant to the Successful Bid (or such date that may otherwise be mutually agreed upon between the Receiver and the Successful Bidder), the Receiver shall be authorized, but not required, to: (a) exercise such rights and remedies as are available to the Receiver under the Successful Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Successful Bid and that the Successful Bidder has forfeited its Deposit to the Receiver; (b) accept any Qualified Bid or other bid of a Qualified Bidder, including, without limitation, a bid made at the Auction, in which case such bid and bidder shall be a Successful Bid and Successful Bidder, respectively, for the purposes of these Bidding Procedures, and close the transaction under such bid; and/or (c) take such other steps as it deems advisable. The Debtor reserves its right to seek all available damages and remedies, including specific performance, from any defaulting Successful Bidder.

Miscellaneous

The Receiver will oversee, in all respects, the conduct of the Bidding Procedures and, without limitation, the Receiver will participate in the Bidding Procedures in the manner set out in these Bidding Procedures and the Bidding Procedures Order. All discussions or inquiries regarding the Bidding Procedures should be directed to the Receiver.

The Sale Process and these Bidding Procedures are solely for the benefit of the Receiver and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. Other than as specifically set forth in the Broker's retention agreement, the Stalking Horse Bid or in a definitive agreement between the Receiver and another Successful Bidder, the Bidding Procedures do not, and will not be interpreted to create any contractual or other legal relationship among Forma-Con, the Receiver, the Broker, any interested party, any bidder, and Qualified Bidder, the Successful Bidder, or any other party.

The receiver may consult with any other parties with a material interest in the Receivership Proceedings regarding the status and material information and developments relating to the Bidding Procedures to the extent considered appropriate by the Receiver; provided that such parties may be required to enter into confidentiality arrangements satisfactory to the Receiver.

Subject to the terms of the Receivership Order, participants in the Bidding Procedures are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bids, participation in the Auction, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order and the Bidding Procedures.

Schedule "A"

Legal Description of the Lands

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule "B"

Auction Procedures

1. If the Receiver determines to conduct an Auction pursuant to the Bidding Procedures, the Receiver will notify the Qualified Bidders who made a Qualified Bid that the Auction will be held at the offices of Torys LLP at 10:00 a.m. (Toronto time) on date that is determined by the Receiver, provided that that is not later than five business days after the Bid Deadline, or such other place and time as the Receiver may advise. Capitalized terms used but not defined have the meaning given to them in the Bidding Procedures.
2. The Auction shall be conducted in accordance with the following procedures:
 - (a) Participation At The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Receiver shall provide all Qualified Bidders with the amount of the Leading Bid, a copy thereof and a blackline to the Stalking Horse Bid by 5:00pm (Toronto Time) two business days before the scheduled date of the Auction. Each Qualified Bidder must inform the Receiver whether it intends to participate in the Auction no later than 12:00 p.m. (Toronto time) on the business day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Receiver, Forma-Con, Bridging Finance Inc. and their respective counsel and other advisors shall be permitted to attend the Auction.
 - (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - (c) Receiver Shall Conduct The Auction. The Receiver and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Receiver shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any and all factors that the Receiver reasonably deems relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Receiver's assessment of the certainty of the Qualified Bidder to close the proposed transaction; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round; (vi) the amount and priority of any Credit Bid; and (vii) such other considerations as the Receiver deems relevant in its reasonable business judgment (collectively, the "**Bid Assessment Criteria**"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed

to all other Qualified Bidders that are participating in the Auction. The Receiver shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Receiver’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in such increments as the Receiver may determine in order to facilitate the Auction (the “**Minimum Overbid Increment**”). The amount of any Overbid shall not be less than the amount of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Receiver shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid and the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
 - (iv) *Consideration of Overbids:* The Receiver reserves the right to make one or more adjournments in the Auction to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (C) give Qualified Bidders the opportunity to provide the Receiver with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Receiver may have clarifying discussions with a Qualified Bidder, and the Receiver may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions.
 - (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the Auction.

- (vi) *Credit Bids*: Bids at the Auction by the Stalking Horse Bidder may provide for all or part of the consideration to be paid to be satisfied by way of a credit bid up to the full face value of secured indebtedness of Forma-Con (a “**Credit Bid**”). No other Qualified Bidder may Credit Bid at the Auction.

- (e) Additional Procedures. The Receiver may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Bidding Procedures (including these Auction Procedures) and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- (f) Closing the Auction. The Auction shall be closed after the Receiver has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and advised the Qualified Bidders participating in the Auction of such determination.

- (g) Finalizing Documentation. Promptly following a bid of a Qualified Bidder being declared the Successful Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid.

**BRIDGING FINANCE INC.,
as agent for 2665405 ONTARIO INC.**

Applicant

**1033803 ONTARIO INC. and
1087507 ONTARIO LIMITED**

Respondents

Court File No. CV-18-608978-00CL

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

Proceedings commenced in Toronto

**ORDER
(Approval of Brampton Stalking Horse
Agreement and Bidding Procedures)**

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, Ontario
M5K 1N2 Canada

Fax: 416.865.7380

Scott A. Bomhof (LSO#: 37006F)

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam M. Slavens (LSO#: 54433J)

Tel: 416.865.7333

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.,
in its capacity as Court-appointed
Receiver

**BRIDGING FINANCE INC.,
as agent for 2665405 ONTARIO INC.**

Applicant

**1033803 ONTARIO INC. and
1087507 ONTARIO LIMITED**

Respondents

Court File No. CV-18-608978-00CL

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

Proceedings commenced in Toronto

**MOTION RECORD
(Returnable December 13, 2018)
(Approval of Brampton Stalking Horse
Agreement and Bidding Procedures)**

TORYS LLP

79 Wellington St. W., Suite 3000
Box 270, TD Centre
Toronto, Ontario
M5K 1N2 Canada

Fax: 416.865.7380

Scott A. Bomhof (LSO#: 37006F)

Tel: 416.865.7370

Email: sbomhof@torys.com

Adam M. Slavens (LSO#: 54433J)

Tel: 416.865.7333

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.,
in its capacity as Court-appointed
Receiver