

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)**

**Court No. 32-2427544**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
ALFACON SOLUTIONS LIMITED  
OF THE TOWN OF MILTON,  
IN THE PROVINCE OF ONTARIO**

**FIRST REPORT TO THE COURT  
SUBMITTED BY MNP LTD.**

**OCTOBER 30, 2018**

**I. INTRODUCTION**

1. On October 2, 2018, Alfacon Solutions Limited (“**Alfacon**” or “**the Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), wherein MNP Ltd. (“**MNP**”) was named as proposal trustee (the “**Proposal Trustee**”) of the Company. Copies of the NOI are attached hereto and marked as **Exhibit “A”**.
2. Notice of the NOI as prescribed by the BIA was sent on October 5, 2018 to all of Alfacon’s known creditors with claims greater than \$250. A copy of such notice is attached hereto and marked **Exhibit “B”**.
3. Information regarding the proceedings has been posted to the Proposal Trustee’s website at <https://mnpdebt.ca/en/corporate/Engagements/alfacon-solutions-limited>.
4. The primary purpose of these proceedings is to provide stability to Alfacon’s business while Alfacon, under the supervision of the Proposal Trustee and in consultation with

Alfacon's majority shareholder, Monteco Ltd. ("**Monteco**"), and Alfacon's legal counsel ("**Counsel**" and together with the Proposal Trustee, and Monteco, collectively the "**SISP Team**") conducts a sale and investment solicitation process ("**SISP**"), and works on formulating and presenting a viable proposal to its creditors.

## **II. RESTRICTIONS**

5. In preparing this Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, the Company's books and records, discussions with employees and management of the Company and information from other third-party sources (collectively, the "**Information**"). Except as described in this Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.
6. The Proposal Trustee also bases its report on the Company's cash flow projections and underlying assumptions and notes that its review and commentary thereon were performed in accordance with the requirements set out in the Canadian Association of Insolvency and Restructuring Professionals' Standards of professional Practice No. 99-5 (Trustee's Report on Cash Flow Statement). Certain of the information referred to in this report consists of financial forecasts and/or projections. An examination or review of financial forecasts and projections and procedures, in accordance with standards set by Chartered Professional Accountants Canada, has not been performed. Future oriented financial information referred to in this report was prepared based on estimates and assumptions provided by the Company' management. Readers are cautioned that, since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from the projections, and such variations could be material.

### III. PURPOSE OF THIS REPORT

7. The purpose of this Report is to:

- a. Provide information to the Court with respect to the administration of the Company's proposal proceedings, including
  - i. background information regarding the Company's operations, management structure, historical financial results and the circumstances leading to the filing of the NOI;
  - ii. the proposed SISP to be conducted by Alfacon, as described in detail later in this Report;
  - iii. in respect of the Company's request for an extension of time to file a Proposal; and
- b. Provide the Court with the Proposal Trustee's recommendation for an Order(s), *inter alia*:
  - i. authorizing and directing Alfacon to carry out the SISP;
  - ii. approving a charge in favour of the legal advisors retained by the Company, the Proposal Trustee and its legal counsel (collectively, the "**Administrative Professionals**") to secure payment of their respective reasonable fees and disbursements;
  - iii. extending the time for filing a proposal to December 15<sup>th</sup>, 2018; and
  - iv. approving the activities of the Proposal Trustee as set out in this Report.

### IV. BACKGROUND INFORMATION

8. Alfacon is an Ontario corporation carrying on business from rented premises in Milton, Ontario. Alfacon provides custom design, engineering, manufacturing, and installation support of material handling systems. Alfacon's products include lifting equipment, package and pallet handling conveyors and sortation systems, truck loaders, extendable

and vertical conveyors, and belt and roller conveyor systems. Alfacon services, amongst others, the courier/postal, manufacturing, distribution and food and beverage industries.

9. Monteco is majority shareholder of Alfacon and owns 75% of the common shares of the Company. Monteco acquired a majority interest in Alfacon in 2015.

10. Alfacon advises that the causes of its financial difficulties are attributable to the following:

- a. A legal dispute with a customer began in calendar year 2013. The Company has incurred significant expenses for legal fees and a settlement was not reached until calendar year 2018;
- b. Alfacon suffered from disputes between the current management and the Company's founder. The founder and his son, key drivers of sales, left the day-to-day operations of Company, and their departure caused a significant decline in sales for fiscal year 2018;
- c. Upon the departure of the Company's founder, the facility being used was sold causing an unplanned facility relocation. This relocation caused a four week loss in production. The estimated costs of the move to the new facility is estimated at \$250,000, and does not include the income lost from production delays of over four weeks; and
- d. Alfacon received an injection of new capital in 2017. The new funding created an opportunity to expand and provided the funding needed for two large contracts undertaken by Alfacon. The estimating for the contracts had significant errors that resulted in substantial losses to the Company.

11. A summary of the Company’s combined historical financial results is set out below:

Year Ended April 30 (CAD\$)	F2015	F2016	F2017	F2018
	Unaudited			
Revenue	\$ 9,588,045.00	\$ 16,293,679.00	\$ 19,011,151.00	\$ 8,161,850.00
% Growth	N/A	70%	17%	-57%
Cost of Goods Sold	\$ 7,483,991.00	\$ 13,272,327.00	\$ 16,807,270.00	\$ 6,943,428.00
Gross Margin	\$ 2,104,054.00	\$ 3,021,352.00	\$ 2,203,881.00	\$ 1,218,422.00
Gross Margin (%)	22%	19%	12%	15%
Operating Expenses	\$ 2,691,955.00	\$ 3,058,693.00	\$ 4,767,326.00	\$ 5,582,841.00
Operating Expenses (%)	28%	19%	25%	68%
EBITDA	-\$ 587,901.00	-\$ 37,341.00	-\$ 2,563,445.00	-\$ 4,364,419.00

12. Additional information in respect of Alfacon, including its assets and liabilities, is set out in the affidavit of John Murdoch, sworn on October 30<sup>th</sup>, 2018 (the “**Murdoch Affidavit**”), filed separately in these proceedings.

## V. ASSETS

13. Alfacon’s realizable assets consist of its receivables, raw materials and its current work in progress. All of the Company’s assets are encumbered by its secured creditors.

14. Substantially all of Alfacon’s engineering, manufacturing and assembly equipment is subject to capital leases.

15. Alfacon maintains a minimal level of supply stock, consisting of metal and spare parts. Management of the Company has advised that the existing stock would have minimal value due to the specialized nature of the parts in stock.

16. On October 25<sup>th</sup>, 2018, Alfacon accepted the terms and conditions of a financing facility proposal ( the “**Factoring Proposal**”) with Liquid Capital Exchange Corp. (“**Liquid**”).

## VI. CREDITORS

17. Alfacon’s NOI lists creditors with claims (claims greater than \$250) of approximately \$10.8 million.

18. A search of the Ontario *Personal Property Security Act* registry (the “**Registry**”), as of October 23, 2018, and Alfacon’s records, includes the following parties as secured creditors of Alfacon:

<b>Creditor</b>	<b>Estimated Amount Owed at the Filing Date</b>
John Murdoch / Monteco Ltd. / Patrick Birmingham Holdings Inc.	\$ 3,435,000
Royal Bank of Canada	2,158,586
BDC Capital Inc.	780,000
Richard Abbott / Doreen Abbott	250,000
Shannon Monteith	100,000
Liftcapital Corporation	11,084
National Leasing Group Inc	9,740
RCAP Leasing Inc.	3,192
Dell Financial Services Canada Limited	1,579
Vault Credit Corporation	1

19. The Proposal Trustee has not yet sought an independent legal opinion on the validity and enforceability of any of the security agreements of the aboved noted secured creditors, nor the validity and enforceability of the Factoring Proposal.

20. The Royal Bank of Canada (“**RBC**”) has been identified by the Company as holding the senior most secured position as registered against the Company. RBC has requested additional documents from the Company to assess their position with regards to the relief being sought by the Company in these proceedings. RBC and/or the Proposal Trustee shall report on this issue at the motion hearing scheduled for November 1, 2018.

## **VII. CASH FLOW PROJECTIONS**

21. To date, the Company has provided the Proposal Trustee with its full co-operation and unrestricted access to its premises, books and records.

22. In accordance with the provisions of the BIA, the Company filed with the Official Receiver a projected cash flow statement dated October 12, 2018, which was reviewed by the Proposal Trustee for reasonableness and signed by the Proposal Trustee and the Company (the “**Cash Flow Projections**”). A copy of the Cash Flow Projections and related reports, are attached hereto as **Exhibit “C”**.

23. The principal assumptions of the Cash Flow Projections are that:

- a. Financing will be obtained by the factoring of all amounts that will be billed. All figures used for future billables are based on managements expectations from current work in progress and expected sales;
- b. Additional financing will be obtained for any cash required in addition to the funds from factoring. This additional financing will be made on terms that are agreeable to by management and with support of Alfacon’s senior secured lender, RBC;
- c. The supply of goods and services are assumed to be on a cash on delivery basis or alternative arrangements have been made with customers for advances or material purchases;
- d. Support by secured creditors, including the postponement of all principal payments; and
- e. Source deductions are current and are remitted through the Company's payroll service.

24. The Company has some customer orders that require additional material purchases to complete the work in progress. The Company needed additional financing to place orders for the required materials. The Cash Flow Projections, as filed, reflects that the Company would obtain this financing in the form of receivables factoring. However, as at the date of the filing of the Cash Flow Projections, the Company did not yet know the exact costs of the Factoring Proposal. As such, a revised cash flow for the 13 week period ending December 31, 2018 (the “**Revised Cash Flow**”) was prepared to show the effects of obtaining financing via the terms of the Factoring Proposal. The Revised Cash Flow was

reviewed by the Proposal Trustee for reasonableness and signed by the Proposal Trustee and the Company. The Revised Cash Flow was filed with the Official Receiver on October 26, 2018. A copy of the Revised Cash Flow and related reports are attached hereto as **Exhibit “D”**.

25. The additional and/or revised principal assumptions of the Revised Cash Flow are that:
- a. The sales projected are based on management’s revised expectations for the completion of sales orders, including work already in progress; and
  - b. Utilization of the factoring credit facility provided by the Factoring Proposal.
26. The Proposal Trustee has implemented procedures for monitoring the Company’s receipts and disbursements and monitoring the business in order to ensure that operations are continuing in the normal course of business and in accordance with the Revised Cash Flow.
27. Based on the Proposal Trustee’s review of the Cash Flow Projections and the Revised Cash Flow, there are no material assumptions which seem unreasonable in the Company’s circumstances or are inconsistent with purpose of the projections. The Proposal Trustee’s report on the Cash Flow Projections, as required by Section 50.4(2)(b) of the BIA is attached hereto and marked as **Exhibit “E”**.
28. Based on the Cash Flow Projections, the Revised Cash Flow and the Factoring Proposal, the Company appears to have sufficient funding through to the end of the requested extension of the NOI.

#### **VIII. SISP**

29. Alfacon, under the supervision of the Proposal Trustee, seeks to conduct the SISP to identify one or more purchasers of the business and/or assets of Alfacon, and/or a party or parties interested in investing in Alfacon, as set out in **Exhibit “F”**, attached hereto. In summary, the SISP contemplates a two step sale of the business assets, or investment in the business of, Alfacon on an “as is, where is” basis subject to Court approval, and will proceed on the following timetable:



- a. Upon an order being issued by the Court approving and authorizing the SISP, Alfacon is to (i) in conjunction with the SISP Team, begin identifying prospective purchasers (ii) contacting prospective purchasers directly and with “teaser” mail-outs (iii) distribute to those interested a form of confidentiality agreement (“CA”) and (iv) distribute to those that have signed the CA, the confidential information memorandum, prepared by the Company with the assistance of the SISP Team, and, if necessary, (v) establish and provide access to an electronic data room to those parties having signed a CA;
- b. Within five (5) business days of the Commencement Date, the Proposal Trustee is to place an advertisement of the sale in a nationally circulated newspaper and, if appropriate, such other trade and industry publications identified by the SISP Team;
- c. Letters of Interest (“LOIs”) shall be due by no later than 5:00 P.M. (Toronto Time) on November 30<sup>th</sup>, 2018;
- d. Parties that have submitted Qualified LOIs (as such term is defined in Exhibit “F), will be provided additional information and time to conduct site visits and further due diligence beginning December 10<sup>th</sup>, 2018 and ending January 15<sup>th</sup>, 2019;
- e. The deadline for Final Bids (as such term is defined in Exhibit “F) will be 5:00 P.M. (EST) on January 15<sup>th</sup>, 2019 (the “**Final Bid Deadline**”);
- f. Selection of the Successful Bid (as such term is defined in Exhibit “F) will be made on or before January 18<sup>th</sup>, 2019;
- g. The Company or the Proposal Trustee will seek Court approval of the APS (as such term is defined in Exhibit “F”) and a vesting order on or prior to January 25<sup>th</sup>, 2019; and
- h. The parties will then seek to close the transaction.

30. The SISP contemplated by the Company provides a means for testing the market, and determining whether a transaction that would result in realizations greater than liquidation value is available or alternatively provide the necessary investment/working capital to

address the Company's operational needs. The SISP permits Alfacon to carry on its business in the ordinary course while seeking to identify a strategic purchaser or investor, with the view of enhancing recoveries for stakeholders.

31. The SISP envisions submissions of offers within the period of the extension contemplated in paragraphs 38 and 39, below.
32. The Proposal Trustee recommends the SISP be approved as it is consistent with insolvency industry practices in such proceedings and in like circumstances, and will provide an opportunity to maximize value for the stakeholders generally.

#### **IX. ADMINISTRATION CHARGE**

33. In order to protect the fees and expenses of the Company's legal counsel for these proceedings, the Proposal Trustee and the Proposal Trustee's counsel (the "**Administrative Professionals**"), the Company is seeking a charge (the "**Administration Charge**") on the property and assets of the Company to secure payment of the reasonable fees and expenses of the Administrative Professionals in an amount of \$50,000.
34. The Company is requesting that the Administration Charge rank in priority to the claims of all secured and unsecured creditors over the property and assets of the Company, and the rights of parties with properly perfected purchase-money-security-interests.
35. The Proposal Trustee recommends the Administrative Charge be approved for the following reasons:
  - a. each of the professionals whose fees are to be secured by the Administration Charge has played and will continue to play a critical role in the Company's restructuring or refinancing; and
  - b. the Company intends to satisfy the fees and disbursements of the Administrative Professionals from cash flow during the NOI proceedings. The Administration Charge is sought to protect the Administrative Professionals in the event that the restructuring is not successful.

## **X. EFFORTS TO RESTRUCTURE**

36. Since filing the NOI, the Company has sourced and negotiated satisfactory refinancing of operations via the Factoring Proposal. The Factoring Proposal should provide the cash required, and within the time constraints that it is needed in order to stabilize the Company's operations.

37. During the extension period, the Company, with the assistance of the Proposal Trustee, will continue to operate while working to obtain interest from prospective purchasers or investors.

## **XI. REQUEST FOR AN EXTENSION OF TIME FOR FILING A PROPOSAL**

38. In order to allow the Company sufficient time to carry out a financial restructuring or refinancing of its business, and work towards filing a proposal to its creditors, the Company seeks an extension of the time for filing of a proposal to December 15, 2018.

39. In view of the foregoing, the Trustee supports the Company's request for an extension and has also considered:

- a. that the Company is acting in good faith and with due diligence;
- b. that the extension should not adversely affect or prejudice creditors, save and except possibly RBC<sup>1</sup>, as the Company is projected to have sufficient funds to pay post-filing services and supplies in the amounts contemplated in the Revised Cash Flow;
- c. that the SISP could generate Qualified LOIs before the end of the requested extension period; the outcome of which will be reported to the Court prior to seeking a second extension, if appropriate, in order to complete the SISP; and

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<sup>1</sup> There is a potential erosion of RBC's security over the extension period being sought, should no viable LOI be received. Accordingly, RBC is currently evaluating their position with respect to the relief being sought by the Company. The Proposal Trustee is in contact with RBC and RBC or the Proposal Trustee shall report to the Court at the motion hearing on November 1, 2018 with respect to RBC's position.

- d. the continuation of the going concern business of Alfacon, whether sold or through new investments, creates the best opportunity to maximize value for the stakeholders generally, as compared to a liquidation under a bankruptcy or receivership scenario.

## **XII. CONCLUSION AND RECOMMENDATION**

40. Based on the foregoing, the Proposal Trustee respectfully recommends that the Court make an order granting the relief detailed in paragraph 7.

All of which is respectfully submitted on this 30<sup>th</sup> day of October, 2018.

**MNP Ltd.**

In its capacity as Trustee under  
The Notice of Intention to Make a Proposal of  
Alfacon Solutions Limited.

Per:

  
Matthew Lem, CIRP, LIT

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL  
OF ALFACON SOLUTIONS LIMITED, OF THE TOWN OF MILTON, IN THE PROVINCE OF ONTARIO**

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

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**FIRST REPORT TO THE COURT**

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**MNP LTD.**  
300-111 Richmond Street West  
Toronto, ON M5H 2G4

**Matthew Lem**  
Tel: (416) 515-3882  
Fax: (416) 323-5242  
Email: Matthew.Lem@MNP.ca

# EXHIBIT "A"

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

Take notice that:

1. I, Alfacon Solutions Limited, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. MNP LTD. of 300 - 111 Richmond Street West, Toronto, ON, M5H 2G4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 1st day of October 2018.



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Alfacon Solutions Limited  
Insolvent Person

To be completed by Official Receiver:

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Filing Date

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Official Receiver

# EXHIBIT "B"



IN THE MATTER OF THE PROPOSALS OF  
Alfacon Solutions Limited  
of the Town of Milton, in the Province of Ontario

NOTICE TO CREDITORS OF NOTICE OF INTENTION TO MAKE A PROPOSAL FILING

To the Creditors of Alfacon Solutions Limited ("Alfacon" or the "Company")

Please take notice that on October 2, 2018, Alfacon filed a Notice of Intention to Make a Proposal (the "NOI") pursuant to Section 50.4(1) of Part III, Division I of the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") and MNP Ltd. ("MNP") was appointed as the proposal trustee (the "Trustee") in these proposal proceedings.

Please find enclosed the following:

1. The Notice of Intention to Make a Proposal (Form 33), dated October 1, 2018 (Filed October 2, 2018);
2. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims (the "Creditor Listing");
3. The consent of the MNP to act as Trustee in these proposal proceedings; and
4. The Certificate of Filing of a Notice of Intention to Make a Proposal, dated October 3, 2018.

Suppliers and other service providers should contact their normal representative of Alfacon with respect to the terms of payment for goods and/or services that are to be provided to the Company going forward (after October 2, 2018).

Pursuant to Section 50.4(8) of the BIA, Alfacon has thirty (30) days, unless such time period is extended by the Court, to file a proposal with the Trustee. During these proposal proceedings there is a stay of proceedings, and as such:

- no person may terminate or amend any agreement with the Company, or claim an accelerated payment, or a forfeiture of the term, under any agreement with Alfacon, by reason only that the company is insolvent or by reason of the filing of the NOI, pursuant to Section 65.1(1) of the BIA; and
- no creditor has any remedy against any of Alfacon or its property or shall commence or continue any action, execution, or other proceedings against the Company without leave of the Court, pursuant to Section 69(1) of the BIA.

We recognize the amounts reflected as being due to you on the Creditor Listing may vary from your records. However at this time, neither the Trustee is not looking to receive nor are creditors required to file a proof of claim in connection with their claim and these proposal proceedings. At a later date and once a proposal has been filed by the Company, the Trustee will provide you with further information regarding these proposal proceedings, including the date for the meeting of creditors to consider the proposal and a proof of claim form, so that you may then submit and prove your claim. Copies of notices, reports of the Trustee and other relevant publicly available information concerning these proposal proceedings can be found at the Trustee's website at: [www.mnpdebt.ca/alfacon](http://www.mnpdebt.ca/alfacon)

If you have any questions concerning the foregoing or require any additional information, please contact Jessie Hue at 416-515-5006 or by email at [Alfacon@mnp.ca](mailto:Alfacon@mnp.ca).

Dated at Toronto, this 5<sup>th</sup> day of October 2018.

MNP LTD.,  
Trustee *in re* the Proposal of  
Alfacon Solutions Limited  
Per:



Matthew Lem, CIRP, LIT  
Senior Vice President

Encl.

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
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2. MNP LTD. of 300 - 111 Richmond Street West, Toronto, ON, M5H 2G4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 1st day of October 2018.



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Alfacon Solutions Limited  
Insolvent Person

To be completed by Official Receiver:

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Filing Date

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Official Receiver

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 Alfacon Solutions Limited  
 of the Town of Milton  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Absolute Engineering Solutions Inc.	221 Westview Ct Kitchener ON N2N 2V6		1,073.00
Ainsworth Inc.	131 Bermondsey Road Toronto ON M4A 1X4		3,955.00
Alba Manufacturing Inc.	8950 Seward Road Fairfield OH 45011-9109 USA		23,982.17
ALL RITE MATERIAL HANDLING SYS	4 Baker Road Brampton ON L6T 4E3		447.58
Americana Worldwide Corp.	139 Sheridan Road Winnetka IL 60093 USA		1,296.00
Aron Kovas	6 Amsterdame Cres Guelph ON N1L 1T0		510.14
ASCO Numatics	17 Airport Road PO Box 160 Brantford ON N3T 5M8		3,411.35
Automation Direct	PO Box 402417 Atlanta GA 30384-2417 USA		3,568.09
Ball Transfer Systems	2965 Pittsburgh Road Perryopolis PA 15473 USA		2,163.24
Ball, Geoff	4 Briar Hill Heights Suite 306 Alliston ON L9R 1Z7		1,356.00
Balluff Canada Inc.	2840 Argentia Road Mississauga ON L5N 8G4		2,614.39
BDC Capital	121 King Street West Suite 1200 Toronto ON M5H 3T9		780,000.00
BDI CANADA INC	82 Bramsteele Road Unit 1 Brampton ON L6W 3M5		18,659.99
BDO Canada	163 First Street Orangeville ON L9W 3J8		23,956.00
Bell Canada	PO Box 90000 Stn Don Mills North York ON M3C 2X7		1,059.82

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Bell Conferencing Inc	5099 Creekbank Road B4 Mississauga ON L4W 5N2		334.10
Bob Taylor	47 Diane drive Orangeville, ON ON L9W 3M9		3,121.42
Brafasco/CTF Supply	100 Galcat Drive Woodbridge ON L4L 0B9		13,788.65
Bretn Gattoni	44 hill Trail Guelph ON N1E 7C5		1,707.69
Brian Clinch	32066 Concession 6-7 RR2 Grand Valley ON L9W 0X1		6,317.63
Caleb Harrison	345 Belsyde Ave E Apt 208 Fergus ON N1M 2Y2		2,939.65
Canada Cartridge Depot Inc	2985 Drew Rd Suite 216 Mississauga ON L4T 0A4		299.45
CANADIAN BEARINGS CO.	1600 Drew Road Mississauga ON L5S 1S5		10,690.71
Canadian IPG Corporation	130 Woodworth Avenue St. Thomas ON N5P 3K1		436.90
CAREER DEVELOPMENT PARTNERS INC.	4137 S Harvard Ave Suite A Tulsa OK 74135 USA		19,100.57
Carter Control Systems	7118 Geoffrey Way Suite A Frederick MD 21704-7108 USA		1,171.20
Cavalier Transportation Services	14091 Humber Station Road PO Box 10 Bolton ON L7E 5T1		5,081.30
Cheema Cleaning Services Ltd	12366 Airport Road Caledon ON L7C 2W1		1,921.00
Chris Hind	19952 Horseshoe Hill Caledon ON L7K 2B5		6,382.59
Chris Mercer	14 John Street Unit #7 Orangeville, ON ON L9W 2P1		1,923.00

District of:  
 Division No. -  
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 Alfacon Solutions Limited  
 of the Town of Milton  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Chris Morin	116 Kingham Rd Acton, ON ON L7J 1S4		7,901.21
Cognex Corporation	PO Box 27623 New York NY 10087-7623 USA		8,660.00
Colson Group Canada, Inc.	c/o Bank of America LBX 917150 PO Box 4090 Station A Toronto ON M5W 0E9		201,090.69
Concept Convoyeur	3757 Boul. Du Tricentenaire Montreal QC H1B 5W3		3,434.95
Conveyor Units	Sandy Lane, Tilton Stourport On Sevrer Worcs DY13 9PT England		359.80
Cory Payne	875647 5th Line EHS Mono, ON ON L9V 1C1		3,757.15
COWPER ONTARIO	677 7th Avenue Lachine QC H8S 3A1		3,321.68
CRAWFORD METAL CORPORATION	1091 Heritage Road Burlington ON L7L 4Y1		15,205.46
D&D Air & Hydraulic Components	300 Trowers Road unit 6 Woodbridge ON L4L 5Z9		394.37
Daemar Inc	861 Cranberry Court Oakville ON L6L 6J7		4,942.26
Dave Stoneham	324 Centre Street Shelburne, ON ON L9V 2Y6		7,799.37
De Lage Landen Financial Services Canada Inc	3450 Superior Court Unit 1 Oakville ON L6L 0C4		1,506.29
Dell Financial Services Canada	PO Box 8751 Station A Toronto ON M5W 3C2		1,579.21
Dematic Limited	6750 Century Avenue Suite 302 Mississauga ON L5N 2V8		33,000.07

District of:  
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- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 Alfacon Solutions Limited  
 of the Town of Milton  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Deshazo - Automation Division	1011 Cedar Lake Road SE Decatur AL 35603 USA		15,127.00
Devlin & Parkinson, P.A	Attorneys at Law Post Office Box 10387 Greenville SC 29603-0387 USA		14,899.08
DJ PRODUCTS, INC.	c/o pine country bank PO Box 528 Little Falls MN 56345 USA		3,452.85
Duane Morris LLP	30 South 17th Street Philadelphia PA 19103-4196 USA		4,495.50
Dufferin Safety & Supply	70 Centennial Road Unit 1A Orangeville ON L9W 1P9		2,611.01
Dulux	24-A Rutherford Road South Brampton ON L6W 3J1		5,260.51
Dura-Belt Inc	3119 Scioto Darby Exec. Ct Hilliard OH 43026 USA		525.72
Edalica Metal Services Ltd.	90 Hedgedale Road Brampton ON L6T 5L2		137,811.08
Envirosystems Incorporated	239 Lottridge Street Hamilton ON L8L 6W1		1,471.80
Expand360 LLC	3500 Lenox Road 15th Floor Atlanta GA 30326 USA		24,044.37
FAST Global Solutions, Inc.	PO Box 249 20631 State Highway 55 Glenwood MN 56334 USA		5,885.04
Fastenal Canada - Kitchener	900 Wabanaki Drive Kitchener ON N2C 0B7		7,162.94
Federal Express	PO Box 4626 Toronto Station A Toronto ON M5W 5B4		1,638.49
FedEx Freight	Lockbox 916830 Po Box 9100 Stn F Toronto ON M4Y 3A5		364.28
FedEx Freight - US	Lockbox 916831 Po Box 9100 Stn F Toronto ON M4Y 3A5		296.55

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In the matter of the proposal of  
 Alfacon Solutions Limited  
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Creditor	Address	Account#	Claim Amount
FESTO INC.	5300 Explorer Drive Mississauga ON L4W 5G4		7,417.53
First Insurance Funding of Canada	20 Toronto St. Suite 700 Toronto ON M5C 2B8		29,153.35
Firstbrook, Cassie & Anderson Ltd	300 - 1867 Yonge Street Toronto ON M4S 1Y5		7,015.32
FORBO SIEGLING LTD.	PO 7484 Postal Stn A Toronto ON M5W 3C1		1,110.31
Francis Hian-Cheong	3669 Forest Bluff Crescent Mississauga ON L5N 7W7		13,520.65
FULCRUM SEARCH SCIENCE INC.	372 Bay Street Suite 2100 Toronto ON M5H 2W9		63,986.25
G N GEAR & MACHINE MFG. LTD.	1210 Midway Blvd #16 Mississauga ON L5T 2B8		55,065.50
Gary Gore	72 First Street Apt 102 Orangeville ON L9W 2E4		2,315.28
Gerrie Electric	4104 SOUTH SERVICE ROAD Burlington ON L7L 4X5		2,263.13
Gestion Industrielle RB Inc.	6200 Saint-Laurent Blvd Sainte-Catherine QC J5C 1B2		2,711.17
GFL Environmental Inc	125 Villarboit Crescent Suite B Vaughan ON L4K 4K2		2,217.58
GOSEN ELECTRIC LIMITED	215 Bathurst Drive Waterloo ON N2V 2B2		12,165.73
Guy Peters	133 Second Avenue Shelburne, ON ON L9V 3E6		4,440.74
Haake	2105 Fasan Drive Oldcastle ON N0R 1L0		2,395.05
Haltel Communications	60 Stevens Cres Georgetown ON L7G 1B6		401.15

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 of the Town of Milton  
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List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Heligear Canada Acquisition Corporation c/o Colliers	401 The West Mall Suite 800 Toronto ON M9C 5J5		50,875.43
Henderson Machinery Moving Inc	3446 Mavis Road Mississauga ON L5C 1T8		10,735.00
Hewlett Packard Financial Services Canada Company	5150 Spectrum Way Mississauga ON L4W 5G1		925.04
HI-TECH FASTENERS OF CANADA INC	PO Box 56200 STN A Toronto ON M5W 4L1		3,884.94
Hobson Electrical Engineering Inc	83 Glazebrook Crescent Cambridge ON N1T 2H8		3,457.80
Hunter Steel Sales	470 Richardson Road Orangeville ON L9W 4W8		219,065.40
Hunton & Williams LLP	PO Box 405759 Atlanta GA 30384-5759 USA		479.10
HYDROPERFECT INTERNATIONAL INC	135 Nugget Court Brampton ON L6T 5H4		2,298.26
Hymark Industrial Solutions Inc.	#2 3015 58 Avenue SE Calgary AB T2C 0B4		47,013.75
IDEAL SUPPLY COMPANY LTD.	615 Riddell Road Orangeville ON L9W 4Z5		6,578.00
Ideal Supply Stratford	400 Lorne Avenue Stratford ON N5A 6S4		41,487.96
IFM Efector Canada Inc	c/o TH1080C Po Box 4283 station A Toronto ON M5W 5W6		839.03
Intelligent Systems Now Inc	420 Weber Street N Unit A1 Waterloo ON N2L 4E7		574.04
Intelligrated Industries Canada Ltd.	c/o 913450 PO Box 4090 Station A Toronto ON M5W 0E9		4,729.05
INTRALOX L.L.C	PO Box 730367 Dallas TX 75373-0367 USA		29,156.64



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 Alfacon Solutions Limited  
 of the Town of Milton  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Itoh Denki USA Inc.	2 Great Valley Boulevard Wilkes-Barre PA 18706 USA		2,399.88
J.Currie Plumbing	16-264 Bronte St S Milton ON L9T 5A3		564.44
J/E Bearing & Machine	68 Spruce Street Tillsonburg ON N4G 5V3		19,657.82
James Harper	47 Holmes Drive Caledon East ON L7K 0A6		812.20
Jay Marcarelli	6405 Oxbridge Drive Salisbury MD 21801 USA		11,110.15
JC MACHINERY INC	309 Queen Mary Drive Brampton ON L7A 3W9		129,916.73
Jervis B Webb Company of Canada	1647 Burlington Street East PO box 3428 Hamilton ON L8L 7X7		1,017.00
JL Metals Inc.	384 Millen Road Stoney Creek ON L8E 2P7		154,075.29
Jobsite Industrial Rental Service	3385 Mainway Burlington ON L7M 1A6		511.82
John Murdoch	17468 Mountainview Rd Caledon East ON L7K 2E7		136,926.41
John Murdoch	17468 Mountainview Road Caledon East ON L7K 2E7		400,000.00
John Murdoch	17468 Mountainview Rd Caledon East, ON ON L7K 2E7		17,902.99
Josh Gilbert	43 Dawn Ridge Drive Kitchener ON N2N 3J7		2,402.99
Kathryn Harrison	166 Chase Crescent Cambridge ON N3C 0C6		14,734.78
KBC Tools & Machinery	6200 Kennedy Road Unit #1 Mississauga ON L5T 2Z1		333.37

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 in the Province of Ontario

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Creditor	Address	Account#	Claim Amount
Kennaley Construction Law	58 Peel Street Simcoe ON N3Y 1S2		30,771.34
Kevin Kalynchuk	96 Kerr Blvd. Alliston ON L9R 1C6		8,420.70
Kevin Lowes	173 Frederick Street Keswick ON L4P 2J2		8,115.20
KORZITE COATINGS INC.	Box 1175 7134 Wellington #124 Guelph ON N1H 6N3		2,558.39
Kreator Equipment & Services Inc.	473036 County Road 11 Amaranth ON L9W 0R2		31,046.75
LANNICK CONTRACT SOLUTIONS INC.	77 King St West Suite 4110 PO Box 26 Toronto ON M5K 1J5		81,209.44
Latchman Ramawad	916 Cardington Street Mississauga, ON ON L5V 1Z7		5,383.48
LATHRUP INDUSTRIES INC	42300 W. Nine Mile Road Novi MI 48375 USA		11,243.03
LATOPLAST LTD.	1661 Finfar Court Mississauga ON L5J 4K1		1,505.22
Letter Rip Sign & Design	346274 15th Sideroad Mono ON L9W 6R9		2,062.25
Lift Capital Corporation	300 The East Mall Suite 401 Toronto ON M9B 6B7		11,084.52
Liftow Limited	PO Box 8092 Station A Toronto ON M5W 3W5		6,094.78
Linde Canada Limited 15687	PO Box 15687 Station A Toronto ON M5W 1C1		9,587.04
Lindsay Phillips	366 Adams Court Orangeville, ON ON L9W 4M2		647.23
Livingston	PO Box 5640 Terminal A Toronto ON M5W 1P1		2,048.92

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In the matter of the proposal of  
 Alfacon Solutions Limited  
 of the Town of Milton  
 in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Lloyd Lamaizon	2 Hedley Court Brampton ON L6S 2B6		5,065.17
Manpower	PO Box 4277 Stn A Toronto ON M5W 5W1		3,906.72
Mark's Commercial	Po Box 6000 Station Main Welland ON L3B 6A2		504.23
Martino Caputo	8 Leaway Avenue Hamilton ON L8W 1S5		452.17
MATRIX SCALE SERVICE INC	301 Watline Avenue Mississauga ON L4Z 1P3		600.00
Maverick Machine & Hydraulics ULC	1633 Trinity Drive Mississauga ON L5T 1K4		47,614.05
MCI Automation & Controls	75 First Street Unit 226 Orangeville ON L9W 5B6		88,141.10
McMaster-Carr Supply Company	PO Box 7690 Chicago IL 60680-7690 USA		263.74
McMillan	181 Bay Street Suite 4400 Toronto ON M5J 2T3		4,030.16
MEEHAN'S INDUSTRIAL	50 Hannant Court Milton ON L9T 5C1		4,209.82
Merley Chains Ltd	8699 ESCARPMENT WAY Unit 2 Milton ON L9T 0J5		455.00
Metzgar Conveyors	901 Metzgar Drive Comstock Park MI 4932-9758 USA		39,212.00
MHI	8720 Red Oak Blvd Charlotte NC 28217 USA		8,787.50
Michelin c/o Haynsworth Sinkler Boyd P.A.	One North Main Street, Second Floor Greenville SC 29601 USA		282,500.00
MILTON HOME HARDWARE	385 Steeles Avenue East Milton ON L9T 3G6		1,367.59

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In the matter of the proposal of  
 Alfacon Solutions Limited  
 of the Town of Milton  
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List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Milton Hydro Distribution Inc	200 chisholm drive Milton ON L9T 3G9		15,557.62
Milton Machine Shop	203 Mill Street Milton ON L9T 1S3		5,829.82
Ministry of Finance -Manitoba	101 - 401 York Avenue Winnipeg MB R3C 0P8	100546	447.31
MIR FABRIC PRODUCT LTD	1153 Pioneer Road Unit L Burlington ON L7M 1K5		10,526.99
Monteco Holdings Limited	2 St. Clair Avenue West Suite 2100 Toronto ON M4V 1L5		665,661.05
Monteco Ltd	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L9		830,000.00
Monteco Ltd - J Monteith	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L6		500,000.00
Monteco Ltd - M Brandt	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L7		50,000.00
Monteco Ltd - RBC	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L6		1,500,000.00
Monteco Ltd - S Montheith	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L8		55,000.00
Motion Canada	8985 Fraserwood Court Burnaby BC V5J 5E8		556.00
Murray Latta Progressive Machine Inc.	8717 132nd Street Surrey BC V3W 4P1		709.26
My Blue Umbrella	160 Cidermill Avenue Unit 1 Vaughan ON L4K 4K5		4,848.94
Nachi Canada Inc.	89 Courtland Avenue Unit 226 Concord ON L4K 3T4		1,919.95
National Leasing	1525 Buffalo Place Winnipeg MN R3T 1L9		9,740.79

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Creditor	Address	Account#	Claim Amount
Navpreet Atwal	13604 Guelph Line Cambellville ON L0P 1B0		1,947.70
Neil Marr	15864 Airport Road Caledon East, ON ON L7C 1K6		15,384.60
Nord Gear Limited	41 West Drive Brampton ON L6T 4A1		1,991.06
Northern Uniform Service	2230 Algonquin Road Sudbury ON P3E 4Z6		399.06
Northstar Aerospace Inc	1000 Burr Ridge Parkway Suite 203 Burr Ridge FL 60527 USA		2,997.28
Orangeville Fire Equipment	76 Centennial Road Unit 1 Orangeville ON L9W 1P9		1,402.22
ORANGEVILLE HOME HARDWARE	60 - 4th Avenue Orangeville ON L9W 3Z7		1,162.77
Otoo Industrial Sewing Inc	51 Hollander Court Fond Du Lac WI 54937 USA		3,546.15
P & P Precision Works Ltd.	227 Advance Blvd Unit 4&5 Brampton ON L6T 4J3		12,359.94
Patrick Bermingham Holdings Inc.	919 Mineral Springs Rd., RR#3 Dundas ON L9H 5E3		100,000.00
Peaco	52 Yardley Place London ON N6G 2J3		2,373.00
Pinchin Ltd	2470 Milltower Court Mississauga ON L5N 7W5		4,943.75
Plant Assistance Services Contract	57 Cambridge Street Cambridge ON N1R 3R5		15,529.61
Polygon Company	PO Box 176 Walkerton IN 46574 USA		2,109.07
Power-Link	5405 J.A. BOMBARDIER St. Hubert QC J3Z 1K3		3,909.88

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Creditor	Address	Account#	Claim Amount
Precision Inc	PO Box 801320 Kansas City MO 64180-1320 USA		2,713.00
Premier Tech Chronos - vonGAL Product Line	PO Box 674713 Detroit MI 48267-4713 USA		1,684.97
PRI Logistics	228 Drumlin Circle Unit 3A Vaughan ON L4K 3E3		11,750.16
Process Panel Shop	100 Shearson Crescent Unit 3 Cambridge ON N1T 1J4		46,987.10
Pyramid Inc	522 N. 9TH AVE. E. Newton IA 50208 USA		3,661.50
QPS Evaluation Services Inc	81 Kelfield Street Unit 8 Toronto ON M9W 5A3		589.18
Quality Conveying Systems Ltd	4201 Green Road Hampton ON L0B 1J0		6,121.78
Questica	980 Fraser Drive Unit 105 Burlington ON L7L 5P5		11,662.14
Ralphs-Pugh Co, Inc.	3931 Oregon Street Benicia CA 94510 USA		9,379.25
RALSTON METAL PRODUCTS LIMITED	50 WATSON ROAD SOUTH Guelph ON N1L 1E2		7,854.29
Rapid Global Business Solutions, Inc.	1200 Stephenson Hwy Troy MI 48083-1115 USA		23,968.57
RBC Royal Bank (Visa)	P.O. Box 4016, Station "A" Toronto ON M5W 2E6		44,543.46
RCAP Leasing Inc.	5575 North Service Road Suite 300 Burlington ON L7L 6M1		3,192.25
REED/WAGNER ELECTRIC	3035 WEST HOUSTON RIVER ROAD Sulphur LA 70663 USA		4,550.00
Renum Hydraulics Ltd.	212A Wilkinson Road Brampton ON L6T 4M4		109,220.98

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Creditor	Address	Account#	Claim Amount
Richard Allan Abbott and Doreen Jean Abbott	48 1/2 Turnbull Road Dundas ON L9H 3W6		250,000.00
RM Custom Signs & Engraving	442 Millen Road Unit 5 Stoney Creek ON L8E 6H2		621.51
Rob Leven	922 Greenwood Cres Shelburne ON L9V 3B9		4,205.49
Rob Losch	35 Sandalwood Drive Ballinafad ON N0B 1H0		9,397.33
Rogers	PO Box 9100 Don Mills ON M3C 3P9		8,405.99
Rogers Communications Partnership	Attn: Rogers Business Solutions PO box 2000 Stn D Scarborough ON M1R 5P4		805.28
Royal Bank of Canada	222 Bay St. 24Th Floor Toronto ON M5K 1G8		2,100,000.00
Royal Bank of Canada	10 York Mills Road Toronto ON M2P 0A2		14,042.84
Russ Palsler Manufacturing Inc.	2840 Argentia Road Unit 8 Mississauga ON L5N 8G4		28,134.14
Ryan McMillan	123 Inverhaugh Rd Ariss, ON ON N0B 1B0		11,737.11
Sales Tax Ohio	P.O. Box 530 Columbus OH 43216-0530 USA	99-104848	508.61
Saw Solutions Inc	PO Box 1275 Stn. Main Chatham ON N7M 5R9		2,017.63
SAX ELECTRICAL SERVICES LTD	41 Toro Road Toronto ON M3J 2A4		25,855.12
Sean Hamilton	436 Scott Drive Orangeville ON L9W 4L8		2,783.05
Service Master Contract Services	3245 HARVESTER ROAD Unit 11 Burlington ON K7P 2E4		632.80

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Creditor	Address	Account#	Claim Amount
SEW-EURODRIVE COMPANY	210 Walker Drive Bramalea ON L6T 3W1		10,534.21
Shannon Monteith	2 St. Clair Ave. W Suite 2100 Toronto ON M4V 1L5		100,000.00
Shawn Lundy	74 Crozier Street Box 556 Grand Valley ON L9W 5N6		7,764.44
Shelley Automation	41 Coldwater Road Toronto ON M3B 1Y8		5,069.49
Snell's Delivery Service	22 GREEN STREET Orangeville On L9W 2K9		5,028.48
Solex Industrial Handling Equipment Ltd.	200 Nipissing Road Milton ON L9T 1R5		13,108.00
Sonja Jackson	42 Russell Hill Road Amaranth ON L9W 5Z1		4,625.84
SST Conveyor Components Inc.	PO Box 638744 Cincinnati OH 45263-8744 USA		9,025.02
Steve Marr	37 Zina St. Orangeville ON L9W 1E3		100,000.00
STEWART GLAPAT CORP.	1639 Moxahala Ave Box 3030 Zanesville OH 43702-3030 USA		622.80
Stutz Brown & Self Professional Corporation	269 Broadway Orangeville ON L9W 1K8		2,871.34
Sun Life Assurance Company of Canada	Billing Department - Group Client Services PO Box 11010 Station CV Montreal QC H3C 4T9		27,584.10
Synerion North America Inc	7420 Airport Road Suite 101 Mississauga ON L4T 4E5		1,305.15
T&T Prism Products	935 Graham Sideroad Newmarket ON L3Y 4V9		5,013.13



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In the matter of the proposal of  
 Alfacon Solutions Limited  
 of the Twn of Milton  
 in the Province of Ontario

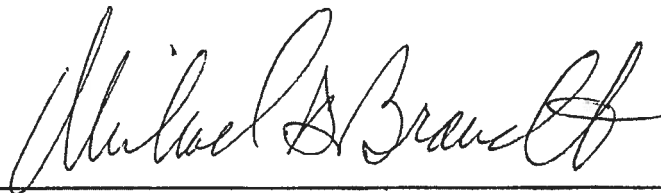
List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Technicor Ind Services inc	450 Richardson Road Orangeville On L9W 4W8		975.76
TEMPLETON & SONS METAL PRODUCTS LTD.	280 AMBASSADOR DRIVE Mississauga ON L5T 2J3		6,469.29
Texcan Divison of Sonepar Canada Inc	250 Chrysler Drive Unit 6 Brampton ON L6S 6B6		1,881.39
The Good Rope Company	2140 Winston Park Drive Unit 20 Oakville ON L6H 5V5		420.36
Tim Palmer	566 STONEY CREEK WAY CHAPEL HILL NC 27517 USA		19,553.79
Timothy Dudek	8731 Trafalgar Road Georgetown ON L7G 4S5		280.43
Toromont Material Handling	PO Box 640 Pointe-Claire QC H9R 4S7		1,011.13
Total Service Landscape	9366 8th Line Georgetown ON L7G 4S5		2,356.05
Trade- Mark Industrial Inc.	250 Royal Oak Road Cambridge ON N3E 0A4		60,131.65
TRANSNORM	2810 Avenue E East Arlington TX 76011 USA		2,321.00
Trent Brooks	31 Parsons Avenue Caledon East ON L7C 1G1		7,666.09
UPS Canada	P.O. Box 4900 Station A Toronto ON M5W 0A7		783.92
Usinage A.D.S.	78 Courtland Chateauguay QC J6J 1V4		6,384.54
Ut (Jimmy) Do	42 Westway Crescent Vaughan ON L4K 5S7		7,016.02

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VECTOR ELECTRIC AND CONTROLS (THE VECTOR GROUP)	5344-36 Street Edmonton AB T6B 3P3		9,910.01
WAINBEE LIMITED	5789 COOPERS AVENUE Mississauga ON L4Z 3S6		52,335.64
Weber Marking Systems of Canada	6180 Danville Road Mississauga ON L5T 2H7		12,585.83
Wenglor Sensoric Canada Inc.	33 City Centre Drive Suite 605 Mississauga ON L5B 2N5		1,022.09
WEPACKIT Machinery	PO Box 1119 185 Elizabeth East Durham ON N0G 1R0		10,924.20
Westool Precision	150 Edward Street St. Thomas ON N5P 1Z3		7,017.30
Workplace Safety & Insurance Board	PO Box 4115 Station A Toronto ON M5W 2V3		7,284.74
Wynright Corporation	PO Box 71383 Chicago IL 60694-1383		7,500.00
XPO Logistics Freight Canada Inc	C/O T10289C PO Box 4918 Station A Toronto ON M5W 0C9		1,551.67
<b>Total</b>			<b>10,768,613.20</b>



Alfacon Solutions Limited  
Insolvent Person


- Proposal Consent -  
In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of Alfacon Solutions Limited.

Dated at the City of Toronto in the Province of Ontario, this 2nd day of October 2018.

MNP LTD. - Licensed Insolvency Trustee

  
\_\_\_\_\_  
300-111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

In the Matter of the Notice of Intention to make a  
proposal of:

**Alfacon Solutions Limited**  
Insolvent Person

**MNP LTD / MNP LTÉE**  
Licensed Insolvency Trustee

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Date of the Notice of Intention: October 02, 2018

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: October 03, 2018, 10:17

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

**Canada**

# EXHIBIT "C"

Alfacon Solutions Limited  
Statement of Projected Cash Flow  
For the period Sept 30 to December 31, 2018

7 days ending:	6-Oct-18	13-Oct-18	20-Oct-18	27-Oct-18	3-Nov-18	10-Nov-18	17-Nov-18	24-Nov-18	1-Dec-18	8-Dec-18	15-Dec-18	22-Dec-18	31-Dec-18
<b>Opening Cash Balance</b>	0.00	7908.52	26743.36	286421.60	485133.77	244573.97	406142.04	526106.92	305086.88	241598.49	10762.43	19736.71	125259.01
<b>Receipts</b>													
Sales	134,262.22	31,742.59	215,445.41	256,074.00	-	-	-	-	-	-	-	-	-
Factoring of New Invoices	-	-	489,562.73	255,615.31	152,070.33	420,755.04	401,451.86	69,466.93	65,212.34	13,500.00	156,375.00	296,223.03	21,375.00
Other Financing / Capital Injection	-	65,092.25	-	-	-	-	-	-	-	-	-	-	10,191.71
<b>Total Receipts</b>	<b>134,262.22</b>	<b>96,834.84</b>	<b>705,008.14</b>	<b>511,689.31</b>	<b>152,070.33</b>	<b>420,755.04</b>	<b>401,451.86</b>	<b>69,466.93</b>	<b>65,212.34</b>	<b>13,500.00</b>	<b>156,375.00</b>	<b>296,223.03</b>	<b>31,566.71</b>
<b>Disbursements</b>													
Payroll (incl. taxes)	74,688.38	63,000.00	130,084.10	70,000.00	50,000.00	68,200.00	50,000.00	60,000.00	50,000.00	50,000.00	68,200.00	60,000.00	50,000.00
Rent	-	-	51,135.33	-	51,135.33	-	-	-	-	51,135.33	-	-	-
Leases (Equipment)	5,402.39	-	14,597.61	-	20,000.00	-	-	-	-	20,000.00	-	-	-
Restructuring Costs	-	-	15,000.00	-	7,500.00	-	7,500.00	-	7,500.00	-	7,500.00	20,000.00	7,500.00
Legal Settlements	15,600.00	-	-	-	-	-	-	-	-	-	-	-	-
SGA & Costs	30,662.93	15,000.00	72,401.45	87,401.45	43,700.73	43,700.73	43,700.73	43,700.73	43,700.73	43,700.73	43,700.73	43,700.73	43,700.73
Material Purchases	-	-	162,111.41	155,575.68	220,294.07	147,286.25	180,286.25	186,786.25	27,500.00	79,500.00	28,000.00	67,000.00	55,625.00
<b>Total Disbursements</b>	<b>126,353.70</b>	<b>78,000.00</b>	<b>445,329.90</b>	<b>312,977.13</b>	<b>392,630.12</b>	<b>259,186.98</b>	<b>281,486.98</b>	<b>290,486.98</b>	<b>128,700.73</b>	<b>244,336.06</b>	<b>147,400.73</b>	<b>190,700.73</b>	<b>156,825.73</b>
<b>Closing Cash Balance</b>	<b>7,908.52</b>	<b>26,743.36</b>	<b>286,421.60</b>	<b>485,133.77</b>	<b>244,573.97</b>	<b>406,142.04</b>	<b>526,106.92</b>	<b>305,086.88</b>	<b>241,598.49</b>	<b>10,762.43</b>	<b>19,736.71</b>	<b>125,259.01</b>	<b>(0.00)</b>


The Statement of Projected Cash Flow Includes the Hypothetical and/or Probable Assumptions attached to this projected cash flow

The statement of projected cash flow is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report.

MNP Ltd., Trustee acting in re the Proposal  
of Alfacon Solutions Limited

Alfacon Solutions Limited

Per:   
Dated: October 12, 2018  


Per: 

The Statement of Projected Cash Flow is to be read in conjunction with the following Hypothetical and/or Probable Assumptions:  
- Retention of key personnel  
- Sales projections are based on historical trends and management's expectations for workflow already in progress.

- Financing will be obtained by the factoring of all amounts that will be billed. All figures used for future billables are based on managements expectations from current work in progress and expected sales.
- Additional financing will be obtained for any cash required in addition to the funds from factoring. This additional financing will be made on terms that are agreeable to by management and with support of the secured creditors. Management has entered in to discussions with parties interested in the purchase of the business as well as with certain customers for the facilitation of the requisite financing.
- Support by secured creditors, including the postponement of all principal and interest payments.
- Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- Source deductions are current and are remitted through the company's payroll service.
- No provisions for income taxes have been made.
- Purusant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.

ADP

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

FORM 29 - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

**Purpose:**

1. The Statement of Weekly Projected Cash Flow has been prepared for the period commencing September 30, 2018, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

**Projection Notes:**

**2. Hypothetical Assumptions**

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in the insolvent person's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

**3. Probable Assumptions**

Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the Insolvent Person and provide a reasonable basis for the Statement of Projected Cash Flow.

**Assumptions:**

4. The Statement of Weekly Projected Cash Flow includes the following Hypothetical and/or Probable Assumptions:

a) Retention of key personnel

b) Sales projections are based on historical trends and managements expectations for workflow already in progress.

c) Financing will be obtained by the factoring of all amounts that will be billed. All figures used for future billables are based on managements expectations from current work in progress and expected sales.

d) Additional financing will be obtained for any cash required in addition to the funds from factoring. This additional financing will be made on terms that are agreeable to by management and with support of the secured creditors. Management has entered in to discussions with parties interested in the purchase of the business as well as with certain customers for the facilitation of the requisite financing.

e) Support by secured creditors, including the postponement of all principal and interest payments.

f) Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.

g) Source deductions are current and are remitted through the company's payroll service.

h) No provisions for income taxes have been made.

i) Pursuant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.



District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

The attached statement of projected cash flow of Alfacon Solutions Limited, as of the 12th day of October 2018, consisting of Statement of Weekly Projected Cash Flow for the period ending December 31, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

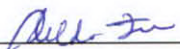
- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 12th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee  
Per:

  
\_\_\_\_\_  
Sheldon Tit **Matthew Lem** - Licensed Insolvency Trustee  
300 - 111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242

Dated at the City of Toronto in the Province of Ontario, this 12th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee

Per:



*Sheldon Tikh*

---

Matthew Lem - Licensed Insolvency Trustee  
300 - 111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

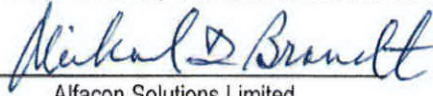
The Management of Alfacon Solutions Limited, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 12th day of October 2018, consisting of Statement of Weekly Projected Cash Flow for the period ending December 31, 2018.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

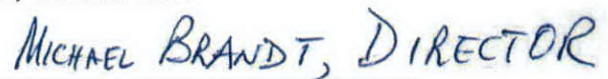
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 12th day of October 2018.



Alfacon Solutions Limited  
Debtor



Name and title of signing officer

\_\_\_\_\_  
Name and title of signing officer

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

**Purpose:**

1. The Statement of Weekly Projected Cash Flow has been prepared for the period commencing September 30, 2018, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

**Projection Notes:**

**2. Hypothetical Assumptions**

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in the insolvent person's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

**3. Probable Assumptions**

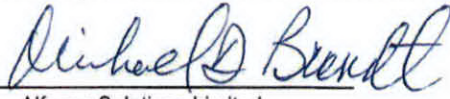
Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the Insolvent Person and provide a reasonable basis for the Statement of Projected Cash Flow.

**Assumptions:**

4. The Statement of Weekly Projected Cash Flow includes the following Hypothetical and/or Probable Assumptions:

- a) Retention of key personnel
- b) Sales projections are based on historical trends and managements expectations for workflow already in progress.
- c) Financing will be obtained by the factoring of all amounts that will be billed. All figures used for future billables are based on managements expectations from current work in progress and expected sales.
- d) Additional financing will be obtained for any cash required in addition to the funds from factoring. This additional financing will be made on terms that are agreeable to by management and with support of the secured creditors. Management has entered in to discussions with parties interested in the purchase of the business as well as with certain customers for the facilitation of the requisite financing.
- e) Support by secured creditors, including the postponement of all principal and interest payments.
- f) Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- g) Source deductions are current and are remitted through the company's payroll service.
- h) No provisions for income taxes have been made.
- i) Pursuant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.

Dated at the City of Toronto in the Province of Ontario, this 12th day of October 2018.

A handwritten signature in cursive script, appearing to read "Michael D. Brandt". The signature is written in black ink and is positioned above a horizontal line.

Alfacon Solutions Limited

# EXHIBIT "D"

**Africon Solutions Limited**  
**Revised Statement of Projected Cash Flow**  
**For the Period Sept 30 to December 31, 2018**

**As at October 26th 2018**

7 days ending:	6-Oct-18	13-Oct-18	20-Oct-18	27-Oct-18	3-Nov-18	10-Nov-18	17-Nov-18	24-Nov-18	1-Dec-18	8-Dec-18	15-Dec-18	22-Dec-18	31-Dec-18
	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>Opening Cash Balance</b>	\$ -	\$ -	\$ -	\$ -	\$ 30,979.30	\$ 109,790.69	\$ 93,914.71	\$ 62,013.08	\$ 20,897.79	\$ 59,311.05	\$ 305,694.04	\$ 154,622.87	\$ 207,323.98
<b>Receipts</b>													
Sale Activity	125,812.22	60,687.49	43,135.50	112,678.56	314,215.50	208,795.55	172,516.37	140,217.99	41,204.02	204,693.78	16,425.75	91,892.83	24,447.51
Funds from Factoring	-	-	-	19,289.45	206,970.19	8,079.28	119,526.18	138,535.91	226,789.64	319,729.94	71,997.22	197,852.43	-
Other Financing / Capital Injection	787.68	7,155.63	19,681.33	47,467.62	-	-	-	-	-	-	-	-	-
Total Receipts	126,599.90	67,843.12	62,816.83	179,435.63	521,185.69	216,874.83	292,042.55	278,753.90	267,993.66	524,423.72	88,422.98	289,745.27	24,447.51
<b>Disbursements</b>													
Payroll (incl. taxes)	74,688.38	62,740.54	47,361.01	41,567.55	148,684.10	71,000.00	79,375.00	56,800.00	79,675.00	56,800.00	75,175.00	66,800.00	69,675.00
Rent	-	-	-	51,135.33	51,135.33	-	-	-	-	51,135.33	-	-	-
Leases (Equipment)	5,648.59	1,129.42	-	7,500.00	5,700.00	1,200.00	-	7,500.00	-	5,700.00	1,200.00	7,500.00	-
Restructuring Costs	-	-	-	-	15,000.00	7,500.00	-	-	-	-	-	-	15,000.00
Legal Settlements	15,600.00	-	-	-	-	-	-	-	-	-	-	-	-
SGA & Costs	30,662.93	3,973.16	15,455.82	13,200.00	111,119.15	36,119.15	36,119.15	36,119.15	36,119.15	36,119.15	36,119.15	36,119.15	36,119.15
Material Purchases	-	-	-	35,053.45	110,735.71	116,991.65	208,450.03	219,450.03	113,786.25	100,786.25	127,000.00	126,625.00	75,000.00
Total Disbursements	126,599.90	67,843.12	62,816.83	148,456.33	442,374.30	232,750.80	323,944.18	319,869.18	229,580.40	278,040.73	239,494.15	237,044.15	195,794.15
<b>Closing Cash Balance</b>	-	-	-	30,979.30	109,790.69	93,914.71	62,013.08	20,897.79	59,311.05	305,694.04	154,622.87	207,323.98	35,977.34

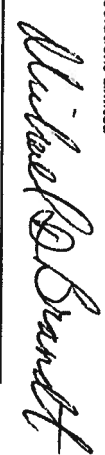
The Statement of Projected Cash Flow includes the Hypothetical and/or Probable Assumptions attached to this projected cash flow

The statement of projected cash flow is prepared by the debtor in accordance with s.50.4(2)(a) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report.

MNP Ltd., Trustee acting in re the Proposal  
of Africon Solutions Limited

Africon Solutions Limited

Per:   
Dated: October 26, 2018

Per:   
Michael R. Brant

**The Statement of Projected Cash Flow is to be read in conjunction with the following Hypothetical and/or Probable Assumptions:**

- Retention of key personnel
- Sales projections are based on historical trends and management's expectations for workflow already in progress.
- A factoring agreement was entered in to with Liquid Capital Exchange Corporation on October 25, 2018.
- Support by secured creditors, including the postponement of all principal and interest payments.
- Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- Source deductions are current and will be remitted as they become due.
- No provisions for income taxes have been made.
- Pursuant to Section 6911 of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.



District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

The attached statement of projected cash flow of Alfacon Solutions Limited, as of the 26th day of October 2018, consisting of Statement of Weekly Projected Cash Flow for the period ending December 31, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,


- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee  
Per:

  
Matthew Lem - Licensed Insolvency Trustee  
300 - 111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

\_FORM 29\_ - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

Purpose:

1. The Statement of Weekly Projected Cash Flow has been prepared for the period commencing September 30, 2018, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

Projection Notes:

2. Hypothetical Assumptions

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in the insolvent person's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

3. Probable Assumptions

Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the Insolvent Person and provide a reasonable basis for the Statement of Projected Cash Flow.

Assumptions:

4. The Statement of Weekly Projected Cash Flow includes the following Hypothetical and/or Probable Assumptions:

- a) Retention of key personnel
- b) Sales projections are based on historical trends and management's expectations for workflow already in progress.
- c) A factoring agreement was entered in to with Liquid Capital Exchange Corporation on October 25, 2018.
- d) Support by secured creditors, including the postponement of all principal and interest payments.
- e) Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- f) Source deductions are current and will be remitted as they become due.
- g) No provisions for income taxes have been made.
- h) Pursuant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee

Per:



Matthew Lem - Licensed Insolvency Trustee

300 - 111 Richmond Street West

Toronto ON M5H 2G4

Phone: (416) 596-1711 Fax: (416) 323-5242

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

- FORM 30 -  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

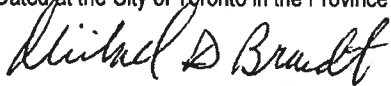
The Management of Alfacon Solutions Limited, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 26th day of October 2018, consisting of Statement of Weekly Projected Cash Flow for the period ending December 31, 2018.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.



Alfacon Solutions Limited  
Debtor



Name and title of signing officer

Name and title of signing officer

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

**Purpose:**

1. The Statement of Weekly Projected Cash Flow has been prepared for the period commencing September 30, 2018, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

**Projection Notes:**

**2. Hypothetical Assumptions**

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in the insolvent person's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

**3. Probable Assumptions**

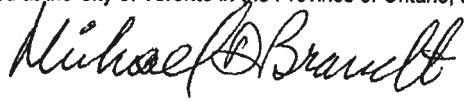
Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the Insolvent Person and provide a reasonable basis for the Statement of Projected Cash Flow.

**Assumptions:**

4. The Statement of Weekly Projected Cash Flow includes the following Hypothetical and/or Probable Assumptions:

- a) Retention of key personnel
- b) Sales projections are based on historical trends and management's expectations for workflow already in progress.
- c) A factoring agreement was entered in to with Liquid Capital Exchange Corporation on October 25, 2018.
- d) Support by secured creditors, including the postponement of all principal and interest payments.
- e) Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- f) Source deductions are current and will be remitted as they become due.
- g) No provisions for income taxes have been made.
- h) Pursuant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.

A handwritten signature in black ink, reading "Michael D. Brault". The signature is written in a cursive style with a large initial "M".

---

Alfacon Solutions Limited

# EXHIBIT "E"

District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

-- FORM 29 --  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

The attached statement of projected cash flow of Alfacon Solutions Limited, as of the 26th day of October 2018, consisting of Statement of Weekly Projected Cash Flow for the period ending December 31, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,


- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee  
Per:

  
Matthew Lem - Licensed Insolvency Trustee  
300 - 111 Richmond Street West  
Toronto ON M5H 2G4  
Phone: (416) 596-1711 Fax: (416) 323-5242



District of: Ontario  
Division No. 07 - Hamilton  
Court No. 32-2427544  
Estate No. 32-2427544

\_FORM 29\_ - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
Alfacon Solutions Limited  
of the Town of Milton  
in the Province of Ontario

Purpose:

1. The Statement of Weekly Projected Cash Flow has been prepared for the period commencing September 30, 2018, solely for the purpose of complying with Part III of the Bankruptcy and Insolvency Act.

Projection Notes:

2. Hypothetical Assumptions

Hypothetical assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that assume a set of economic conditions or courses of action that are not necessarily the most important in the insolvent person's judgment, but are consistent with the purpose of the Statement of Projected Cash Flow.

3. Probable Assumptions

Probable assumptions as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals are assumptions that the Insolvent Person believes reflects the most probable set of economic conditions and planned courses of action, are suitably supported, consistent with the plans of the Insolvent Person and provide a reasonable basis for the Statement of Projected Cash Flow.

Assumptions:

4. The Statement of Weekly Projected Cash Flow includes the following Hypothetical and/or Probable Assumptions:

- a) Retention of key personnel
- b) Sales projections are based on historical trends and management's expectations for workflow already in progress.
- c) A factoring agreement was entered in to with Liquid Capital Exchange Corporation on October 25, 2018.
- d) Support by secured creditors, including the postponement of all principal and interest payments.
- e) Vendors may require immediate payment for the purchase of materials that are required for the completion of work in progress.
- f) Source deductions are current and will be remitted as they become due.
- g) No provisions for income taxes have been made.
- h) Pursuant to Section 69(1) of the Bankruptcy and Insolvency Act, all creditor's claims are subject to a stay of proceedings.

Dated at the City of Toronto in the Province of Ontario, this 26th day of October 2018.

MNP LTD. - Licensed Insolvency Trustee

Per:



Matthew Lem - Licensed Insolvency Trustee

300 - 111 Richmond Street West

Toronto ON M5H 2G4

Phone: (416) 596-1711 Fax: (416) 323-5242

# EXHIBIT "F"

## Sale and Investment Solicitation Process

### Purpose

1. The purpose of the Sale and Investment Solicitation Process ("**SISP**") is to identify one or more purchasers of the business and/or assets (the "**Property**") of Alfacon Solutions Limited ("**Alfacon**" or the "**Company**"), and/or a party or parties interested in investing in Alfacon. The SISP will be conducted by Alfacon, under the supervision of MNP Ltd. in its capacity as the Proposal Trustee of Alfacon (the "**Proposal Trustee**") and with the assistance of, and in consultation with its majority shareholder, Monteco Ltd. ("**Monteco**"), and Alfacon's legal counsel ("**Counsel**" and together with the Proposal Trustee, and Monteco, hereinafter the collectively referred to as the "**SISP Team**").
2. It is contemplated that Alfacon will seek an order (the "**Approval Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), among other things, approving the SISP on or about **November 1, 2018**.
3. Unless otherwise indicated herein any event that occurs on a day that is not a business day shall be deemed to occur on the next business day.

### SISP Procedures

#### A. Initial Solicitation of Interest

4. Alfacon with the assistance of the SISP Team will compile a list of prospective investors and purchasers (together with any other party expressing an interest in the Alfacon as an

investment and/or the business and/or assets of Alfacon, the "**Interested Parties**"). The SISP Team will make best efforts to canvass the interest of all Interested Parties.

5. The SISP will be conducted by Alfacon with the support and assistance of SISP Team and will provide Interested Parties with the opportunity to submit offers to purchase some or all of Alfacon's business and/or assets or to invest in the business.
6. Alfacon shall cause to advertise the SISP, and any other relevant information which the SISP Team, considers appropriate, to be published in a nationally circulated newspaper within five (5) days following the date of the Approval Order.
7. A solicitation document summarizing the acquisition and/or investment opportunity as well as the SISP (the "**Teaser & Process Letter**") will be prepared by the Alfacon, with the assistance of and in consultation with the SISP Team, and will be distributed to Interested Parties. A form of confidentiality agreement ("**CA**"), substantially in the form of the Confidentiality and Non-Disclosure Agreement attached as **Schedule "A"**, will be attached to the Teaser & Process Letter that Interested Parties will be required to sign in order to gain receive the available confidential information and to commence performing due diligence (each Interested Party who signs a CA being referred to herein as, a "**Prospective Offeror**"). All CA's shall enure to the benefit of any purchaser of or investor in Alfacon's business and/or assets.

## **B. Due Diligence**

8. As soon as reasonably practicable before the Approval Order, if not before, Alfacon will prepare a confidential information memorandum (the “**CIM**”) and establish an electronic data room, which will include certain financial and other information with respect to Alfacon (the “**Data Room**”) in connection with the SISP. Alfacon, with the assistance of the Proposal Trustee, will provide to each Prospective Offeror (i) a copy of the CIM, and (ii) access to the Data Room .
9. Notwithstanding paragraph 8 above, Alfacon, in consultation with the SISP Team, shall have the right to limit any Prospective Offeror's access to confidential information. This will include limiting access, if deemed appropriate, to parties who the SISP Team reasonably believes are not likely to be serious offerors.

## **C. Qualified LOI Process**

10. Any Prospective Offeror who wishes to submit an offer to purchase some or all of Alfacon's business and/or assets or to invest in the business must deliver a written, non-binding letter of intent in respect of Alfacon (an “**LOI**”) to Alfacon (care of the Proposal Trustee) at the address specified in accordance with **Schedule “B”** so as to be received not later than 5:00 p.m. (Toronto Time) on **November 30<sup>th</sup>, 2018 (“LOI Deadline”)**. An LOI shall be a qualified LOI (each a “**Qualified LOI**”) provided that it contains:
  - i) a specific indication of the anticipated sources of capital for such Prospective Offeror and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit support or enhancement that will allow the

SISP Team, to make, in their reasonable business or professional judgment, a reasonable determination as to the Prospective Offeror's financial and other capabilities to consummate an offer;

- ii) a letter setting forth the identity of the Prospective Offeror, the contact information for such Prospective Offeror and full disclosure of the direct and indirect owners of the Prospective Offeror and their principals;
- iii) an indication of whether the Prospective Offeror wishes to tender an offer to acquire either (i) all or part of the Property of Alfacon (an "**Asset Bid**"); or (ii) make an investment in Alfacon's business or any parts thereof (a "**Investment Bid**");
- iv) any conditions to closing that the Prospective Offeror may wish to impose;
- v) any additional due diligence required or desired to be conducted by the Prospective Offeror, if any;
- vi) in the case of an Asset Bid, it includes:
  - (1) a detailed listing and description of the Property to be included in and excluded from the proposed sale transaction;
  - (2) the contracts and/or leases, if any the Prospective Offeror contemplates assuming, if any;
  - (3) the purchase price range and form(s) of consideration;
  - (4) description of any liabilities to be assumed by the Prospective Offeror, if any;

- (5) an acknowledgment that the contemplated sale will be made on an “as is, where is” basis; and
  - (1) the proposed treatment of employees of Alfacon;
- ii) in the case of a Investment Bid, it include:
- (1) a detailed description of the structure of the investment transaction;
  - (2) the low and high range of the aggregate amount of the equity and debt investment, including liabilities to be assumed by the Prospective Offeror to be made in Alfacon;
  - (3) the underlying assumptions regarding the pro forma capital structure (including, the anticipated debt levels, debt service fees, interest and amortization);
  - (4) the consideration to be allocated to the stakeholders including claims of any secured or unsecured creditors of Alfacon and the proposed treatment of employees; and
  - (5) the structure and financing of the transaction including all requisite financial assurance.

11. Any Prospective Offeror who submits a Qualified LOI on or before the LOI Deadline shall be designated a “**Qualified Bidder**”.



#### **D. Final Bid Process**

12. Alfacon may invite Qualified Bidders to conduct additional due diligence or otherwise make available to Qualified Bidders additional information not posted in the electronic data room and arrange for inspections and site visits.
13. Alfacon will provide to each Qualified Bidder a proposed form of agreement of purchase and sale (the “**APS**”).
14. Any Qualified Bidder may submit an Asset Bid, or a Restructuring Bid (each, a “**Final Bid**”) to Alfacon (care of the Proposal Trustee) at the address specified in **Schedule “B”** hereto on or before 5:00 pm (Toronto Time) on **January 15<sup>th</sup>, 2019** (the “**Final Bid Deadline**”).
15. A Final Bid shall be a “**Qualified Final Bid**” if:
  - i) it includes a letter stating that the Asset Bid or Restructuring Bid is irrevocable until February 15<sup>th</sup>, 2019;
  - ii) it includes a duly authorized and executed APS, specifying all of the consideration payable, together with all exhibits and schedules thereto.
  - iii) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
  - iv) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder and/or (ii) obtaining any financing capital and includes an acknowledgement

- and representation that the bidder has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid or Restructuring Bid;
- v) it is accompanied by a refundable deposit (the “**Deposit**”) in the form of a wire transfer (to a trust account specified by the Proposal Trustee), certified cheque or bank draft issued by a Chartered Canadian Bank, in an amount equal to ten percent (10%) of the consideration to be paid in respect of the Asset Bid or Restructuring Bid, to be held and dealt with in accordance with this SISP;
  - vi) it contains other information reasonably requested by Alfacon or the Proposal Trustee;  
and
  - vii) it is received by no later than the Final Bid Deadline.

#### **E. Post Bid Deadline Procedure**

16. If one or more Qualified Final Bids are received, Alfacon, in consultation with the SISP Team, may choose to:
- i) accept one (or more if for distinct transactions) Qualified Final Bids(s) (the “**Successful Bid**” and each Qualified Final Bidder making the Successful Final Bid(s) being a “**Successful Bidder**”) and take such steps as are necessary to finalize and complete an agreement for the Successful Bid(s) with the Successful Bidders(s);  
or

- ii) continue negotiations with a selected number of bidders (collectively, "**Selected Bidders**") with a view to finalizing one or more agreements with one or more Selected Bidders.
17. Alfacon shall be under no obligation to accept the highest or best (or any) bid and any selection of the Successful Bid(s) and the Selected Bidders(s) shall be entirely in the discretion of the Alfacon. For greater certainty, Alfacon shall be permitted to decline acceptance of all offers.
  18. Alfacon shall apply to the Court (the "**Approval Motion**") for an order approving the Successful Bidder(s) and authorizing Alfacon to undertake such actions as may be necessary or appropriate to give effect to the Successful Bid.
  19. Alfacon will schedule the Approval Motion on the earliest reasonably possible date following the determination of the Successful Bid.

## Timeline

20. A chart summarizing material deadlines for the SISP is set out below:

	<b>Event</b>	<b>Timing</b>
1	Alfacon shall contact Prospective Offerors.	Immediately upon approval of Sale Process
2	Information pertaining to this opportunity will be posted on the Proposal Trustee's website: <a href="https://mnpdebt.ca/en/corporate/engagements/alfacon-solutions-limited">https://mnpdebt.ca/en/corporate/engagements/alfacon-solutions-limited</a>	Initial information to be posted within 1 business day of obtaining approval of the Sales Process
3	Advertise the sale in a nationally circulated newspaper, and as considered appropriate by the SISP Team.	Within 5 business days of obtaining approval of the Sales Process
4	Interested Parties given access to data room and provided time to prepare LOIs	November 2 <sup>nd</sup> , 2018 to November 30 <sup>th</sup> , 2018
5	Deadline for submission of LOIs	5:00 PM (Toronto Time) November 30 <sup>th</sup> , 2018
6	Qualified Bidders invited to conduct site visits and additional due diligence	December 10 <sup>th</sup> , 2018 to January 15 <sup>th</sup> , 2019
7	Deadline for Final Bids	5:00 PM (Toronto Time) January 15 <sup>th</sup> , 2019
8	Selection of Successful Bid and execute binding APS	January 18 <sup>th</sup> , 2019
9	Seek Court approval of APS and obtain a vesting order.	On or prior to January 25 <sup>th</sup> , 2019
10	Close sale to Successful Bidder(s).	On or prior to January 30 <sup>th</sup> , 2019
11	Unsuccessful bidders to return all confidential materials to the Proposal Trustee, and applicable deposits refunded.	January 31 <sup>st</sup> , 2019

## **Other Terms**

21. If a Successful Bidder(s) breaches its obligations under the terms of its offer, its Deposit shall be forfeited to Alfacon as liquidated damages and not as a penalty.
22. Notwithstanding anything else contain herein, if it becomes evident to the Alfacon that no Qualified Final Bids will be received, Alfacon, in consultation with the SISP Team may terminate the SISP.
23. At any time during the SISP, the Proposal Trustee may, upon reasonable notice to the service list, apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.
24. There shall be no amendments to this SISP, including, for greater certainty the process and procedures set out herein, without further order of the Court. Notwithstanding the foregoing, Alfacon shall be permitted to extend the dates in the SISP by a total of up to two (2) weeks without further order of the Court.

## Schedule "A"

### CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

TO: Alfacon Solutions Limited

-and-

MNP Ltd., in its capacity as Proposal Trustee of Alfacon Solutions Limited

Attention: Michael Litwack

#### **Re: Alfacon Solutions Limited**

The undersigned has expressed an interest in reviewing the information more particularly defined below (the "**Information**") solely for the purpose of evaluating a potential acquisition of the business and/or assets of Alfacon Solutions Limited. (the "**Company**") or potential investment in the Company (the "**Purpose**"). The undersigned understand and agree that the Company and /or MNP Ltd., in its capacity as Proposal Trustee of the Company (the "**Proposal Trustee**") are willing to provide the undersigned with the Information, provided that the undersigned provides its respective undertakings as set out herein with respect to the Information.

*The undersigned acknowledges and agrees that the Information contains sensitive confidential business information about the Company. The undersigned agrees that it shall keep the Information confidential and that it shall make no use of the Information other than in accordance with the Purpose.*

The undersigned appreciates and confirms its understanding that all of the Information is of a confidential nature. In consideration of the Company and/or the Proposal Trustee providing such Information and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, the undersigned agrees as follows:

1. "**Information**" in this Agreement means, in respect of any aspect of the Company, its business, property, assets and undertakings (collectively, the "**Property**"):
  - a) any communications between the undersigned and the Company or the Proposal Trustee or its agents or representatives, and any information or other material which in any way relates to the Company and/or the Property provided to undersigned or acquired by it during its review regardless of whether same is marked "**Confidential**";
  - b) any other information concerning the Company and/or the Property, including, but not limited to, Information provided directly, verbally or written, or within any electronic data room that the Company or the Proposal Trustee may make available to prospective purchasers ("**Data Room**") or any other information, financial or otherwise pertaining to the Company and/or the Property, but not including information published or made available to the public, or information which is in the public domain.
2. Subject to section 4, the undersigned acknowledges and agrees that the Company and the Proposal Trustee agree to furnish the Information to the undersigned solely for the Purpose and the undersigned covenants that it (which, for the purposes of such covenant shall include any and all of its officers, professional counsel, directors, agents or employees or any other person who receives any of the

Information from any of them, such as professional consultants and representatives – all of which are collectively referred to hereafter as “**Permitted Persons**”) shall not use the Information for any purpose other than the Purpose. For greater certainty, the undersigned and the Permitted Persons shall not use the Information in carrying on its business or that of any affiliate, as defined in the *Securities Act* (Ontario), and will not disclose the Information to any other person, firm, corporation or organization without the Company’s prior written consent. The undersigned shall provide the Company and the Proposal Trustee with lists of all persons to whom any Information is made available.

The undersigned acknowledge that the Company and the Proposal Trustee shall not be deemed to have made any representation or warranty as to the accuracy or completeness of any of the Information furnished to it at any time, nor shall the Company or the Proposal Trustee have any liability to the undersigned or its representatives relating to or arising from its use of any of the Information.

3. Notwithstanding section 2, the Information, or any part thereof, may be disclosed to and used by the Permitted Persons to the extent that it is necessary for the Purpose, provided that any such persons undertake to maintain the confidentiality of such Information.
4. For greater certainty, but without limiting the covenants herein to keep the Information confidential, the undersigned agrees to take all reasonable steps to prevent the disclosure of the Information, by ensuring that:
  - a) Only Permitted Persons whose duties require them to review the Information shall have access thereto, and they shall be instructed and required to treat the Information as confidential;
  - b) Proper and secure storage is provided for all written Information or any Information which is stored on any computer or data retrieval system;
  - c) The undersigned shall not make, permit or cause to be made copies of the Information; and
  - d) The undersigned shall not disclose either the Information or the fact that discussions regarding the Opportunity are taking place or the status thereof to any person other than the Permitted Persons for any reason whatsoever unless:
    - (i) in the reasonable opinion of independent legal counsel, and approved by the Company in writing, such approval not to be unreasonably withheld, disclosure is required under federal or provincial law;
    - (ii) any securities commission, stock exchange or other regulatory body having jurisdiction requires disclosure; or
    - (iii) disclosure is required to be made by the undersigned pursuant to due legal process.
5. In the event that the undersigned or any Permitted Person becomes legally compelled to disclose any of the Information, the undersigned shall provide the Company and the Proposal Trustee with prompt notice so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that either such protective order or other remedy is obtained, or the Company waives compliance with provisions of this Agreement, the undersigned shall furnish only that portion of the Information which is legally required and shall exercise its best efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to the Information.

In the event that the undersigned learns of any unauthorized disclosure of the Information, or that the Information has been or is being used for any reason other than the Purpose, the undersigned shall immediately notify the Company and the Proposal Trustee of the unauthorized disclosure, and shall assist the Company and / or the Proposal Trustee in attempting to prevent any further unauthorized disclosure and shall, if requested, assist the Company and / or the Proposal Trustee in any legal proceedings that may be commenced in that regard, including by providing affidavit evidence in any such legal proceeding.

6. If no agreement to purchase the Property is finalized or investment is made in the Company, the undersigned acknowledges that it and the Permitted Persons shall continue to be bound to hold the Information in confidence for a period of three (3) years from the date of this Agreement and the Information together with any copies thereof shall be returned or deleted immediately on request by the Company and/or Proposal Trustee in accordance with section 8 hereof.
7. The undersigned shall indemnify and hold the Company and the Proposal Trustee harmless from any and all loss or damage (including legal costs on a full indemnity basis) which arise directly from the unauthorized disclosure or use of the Information by the undersigned, or by its officers, employees, professional consultants and representatives or in any other way which is contrary to the terms of this Agreement.
8. The Information, together with any copies thereof, shall be returned immediately to the Proposal Trustee or deleted upon request without retaining copies thereof. The return or deletion by the undersigned of any Information shall not affect any of its obligations hereunder. That portion of the Information which consists of reports, analyses, studies, or other documents prepared by the undersigned and/or the Permitted Persons, shall be either held by the undersigned and the Permitted Persons or deleted and kept confidential subject to the terms of this Agreement or destroyed. It is agreed that monetary damages would not be a sufficient remedy for any breach of this Agreement and the undersigned agrees that the Company shall be entitled to injunctive relief, specific performance or any other appropriate equitable remedies for any such breach, and hereby consents to an order for injunctive relief. Any of such remedies shall not be deemed to be the exclusive remedy for any breach of this Agreement but shall be in addition to other remedies available at law or in equity to the Company. In the event that the Company brings an action to enforce the undersigned's obligations hereunder, the undersigned shall reimburse the Company completely for all costs and expenses, including legal fees, incurred by the Company and its advisors in that regard.
9. Any notice required or permitted to be given under this Agreement shall be given in writing and shall be either hand-delivered or sent by courier, pre-paid registered mail, facsimile transmission or electronic mail to the following addresses:

(i) in the case of the Company and MNP Ltd., as follows:

Alfacon Solutions Limited. and MNP Ltd.  
c/o MNP Ltd.  
111 Richmond Street West, Suite 300  
Toronto, Ontario M5H 2G4  
Attention: Michael Litwack  
Facsimile: (416) 323-5240  
Email: [michael.litwack@mnp.ca](mailto:michael.litwack@mnp.ca)



(ii) in the case of the undersigned, as follows:

\_\_\_\_\_  
(Name – Company or First and Last)

\_\_\_\_\_  
(Street/RR/PO Box No., Suite/Unit No.)

\_\_\_\_\_  
(City/Town) (Province)

\_\_\_\_\_  
(Postal Code)

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Any notice personally delivered or sent by electronic mail or by facsimile transmission shall be deemed to have been received on the date of delivery. Any notice sent via pre-paid registered mail shall be deemed to have been received on the fourth business day following mailing. Any notice sent via courier shall be deemed to have been received on the following business day. Either of the Company and MNP Ltd. or the undersigned may change its address for service of notice or the person to whom such notice shall be directed from time to time by notice given in accordance with the foregoing.

10. The undersigned agrees that it shall not assign this Agreement or any of its rights hereunder, whether in whole or in part.
11. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario (and, if applicable, the federal laws of Canada) and each of the undersigned hereby irrevocably attorn to the jurisdiction of the Ontario Superior Court of Justice (Commercial List).
13. The undersigned acknowledges and confirms that any costs incurred by any consultant related to its review of the Information are solely its obligation and responsibility.
14. The undersigned acknowledges and agrees that it has had the opportunity to obtain independent legal advice as to the terms and conditions of the Agreement and has either received same or expressly waived its right to do so.
15. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal personal representatives, trustees, successors and permitted assigns.
16. This Agreement constitutes the entire agreement between the undersigned, the Company and the Proposal Trustee with respect to the subject matter hereof and supersedes all prior agreements and or discussions relating to the subject matter hereof. This Agreement may only be amended by further written agreement between the parties.

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, each of the undersigned have executed this Agreement and hereby agree to all of the obligations in favour of the Company and/or the Proposal Trustee contemplated herein.

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**OR**

\_\_\_\_\_  
(Signature of Person – Individual)

Name:

\_\_\_\_\_  
(Name of Corporation)

Per:

\_\_\_\_\_  
(Signature of Witness – Individual)

Name:

\_\_\_\_\_  
(Signature of Authorized Signing Officer)

Name:

Title

I have the authority to bind the corporation

## **SCHEDULE "B"**

### **Addresses for Deliveries**

Any delivery made to Alfacon pursuant to this SISP shall be made to:

Alfacon Solutions Limited  
c/o MNP Ltd.  
111 Richmond St. W.  
Suite 300  
Toronto, ON M5H 2G4

Attention: Michael Litwack  
Email: [Michael.litwack@mnp.ca](mailto:Michael.litwack@mnp.ca)

Deliveries pursuant to this SISP by email or by facsimile shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the relevant address, as identified above.