

Court File No. 35-1979333T

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

BETWEEN:

THE BANK OF NOVA SCOTIA

Plaintiff

and

ENTROPEX, 629728 ONTARIO LIMITED and UNITEC INC.

Defendants

**SECOND REPORT TO THE COURT SUBMITTED BY MNP LTD.,
IN ITS CAPACITY AS RECEIVER OF
ENTROPEX, 629728 ONTARIO LIMITED and UNITEC INC.**

August 31, 2016

Table of Contents

	<u>Page</u>
1.0 Introduction and Purpose of Report	4
1.1 Introduction	4
1.2 Purpose of the Receiver’s Second Report	5
2.0 PPSA Searches	7
2.1 Entropex	7
2.2 Unitec	7
2.3 629	8
3.0 Security Review and Challenged Leases	9
3.2 Procor Limited	9
3.3 Vacuum Trucks of Canada	10
3.4 Ryder Truck Rental Canada Ltd.	11
3.5 De Lage Landen Financial Services Canada Inc.	12
3.6 Hewitt Material Handling	12
3.7 Modspace Financial Services	13
3.8 Waste Management of Canada Corporation	14
3.9 Vincent Corporation	14
4.0 Order Sought	15

Listing of Appendices

Appendix A	-	Entropex BNS GSA
Appendix B	-	Roynat Debenture
Appendix C	-	Initial Order
Appendix D	-	Receiver's First Report
Appendix E	-	Order approving First Report, Endorsement of Justice Garson dated August 23, 2016 and Endorsement of Justice Leitch dated August 29, 2016
Appendix F	-	Entropex PPSA search
Appendix G	-	Unitec PPSA search
Appendix H	-	629 PPSA search
Appendix I	-	Procor lease
Appendix J	-	Procor Rider No.4
Appendix K	-	Procor Renewal #1
Appendix L	-	Procor Renewal #2
Appendix M	-	Railway Tool search
Appendix N	-	Vacuum Agreement
Appendix O	-	Ryder Agreement
Appendix P	-	July 26 2015 Ryder Email
Appendix Q	-	DeLage Agreement 577211
Appendix R	-	DeLage Agreement 577212
Appendix S	-	Hewitt Agreement
Appendix T	-	Modspace Agreement 73812
Appendix U	-	Modspace Agreement 99726
Appendix V	-	Modspace Agreement 99726F
Appendix W	-	Modspace Agreement 154970

- Appendix X - Modspace 2014 Trailer Agreement
- Appendix Y - Waste Management Agreement
- Appendix Z - Vincent Agreement

1.0 Introduction and Purpose of Report

1.1 Introduction

1.1.1 Entropex is a general partnership carrying on business as a plastics recycler from the land known municipally as 1271 Lougar Avenue, Sarnia, Ontario (the “**Lougar Property**”).

1.1.2 629728 Ontario Limited (“**629**”) and Unitec Inc. (“**Unitec**”) are corporations incorporated pursuant to the laws of the Province of Ontario and are the partners of Entropex.

1.1.3 Entropex, 629 and Unitec (collectively referred to as the “**Companies**”) are registered as the joint title holders to the Lougar Property.

1.1.4 Entropex is indebted to the Bank of Nova Scotia (“**BNS**”) for approximately \$3,500,000 CDN. Entropex is indebted to Roynat Inc. (“**Roynat**”) for approximately \$3,260,000 million USD. The debts owing by Entropex to BNS and Roynat are guaranteed by 629 and Unitec.

1.1.5 The debt owing to BNS is secured by the following:

- A collateral charge registered against the Lougar Property in the principal amount of \$5,000,000 CDN;
- General security agreements dated May 13, 2014 from Entropex, 629 and Unitec; and,
- Guarantees and general security agreements from various parties related to the Companies, including Nxgen Holdings Inc., Entropex Logistics Inc. and Entropex Rigidreclaim Inc. (collectively referred to as the “**Guarantors**”).

A copy of the Entropex BNS general security agreement is attached as **Appendix A**.

1.1.6 The debt owing to Roynat is secured by the following:

- A debenture, granting a security interest in all real and personal property, registered against the Lougar Property in the principal amount of \$3,863,000 USD; and,
- Guarantees dated July 31, 2014 from 629 and Unitec.

A copy of the Roynat debenture is attached as **Appendix B**.

In addition Roynat has received guarantees of its indebtedness from Nxgen Holdings Inc. Entropex Logistics Inc. and Entropex Rigidreclaim Inc.

1.1.7 On March 18, 2016, due to various events of default under the terms of the financing agreement, BNS issued demand for payment and notice of intention to enforce security to the Companies and the Guarantors.

1.1.8 On April 8, 2016, BNS, the Companies and the Guarantors entered into a forbearance agreement, wherein, among other terms, BNS provided a period of forbearance to July 8, 2016 to permit Entropex to complete the sale of its business and/or refinance.

- 1.1.9 On March 23, 2016, Roynat issued a demand for payment and a notice of intention to enforce security to Entropex. Entropex and Roynat also entered into a forbearance agreement dated April 8, 2016 (the “**Forbearance Agreement**”), which expired on July 8, 2016.
- 1.1.10 The Companies were unable to finalize a sale or refinance by the end of the forbearance period. On July 7, 2016, counsel for BNS and Roynat advised Entropex, 629 and Unitec that neither lender would extend the forbearance agreements or ongoing credit.
- 1.1.11 During the week of July 10, 2016, due to the lack of ongoing credit and inability to pay suppliers, Entropex initiated a wind down of its operations.
- 1.1.12 On July 14, 2016, the Honourable Justice Grace of the Ontario Superior Court of Justice, issued an Order appointing MNP Ltd. as receiver (the “**Receiver**”) of the Companies (the “**Initial Order**”). A copy of the Initial Order is attached as **Appendix C**. The Initial Order is substantially in the form of the Model Receivership Order.
- 1.1.13 The Initial Order authorized, but did not obligate, the Receiver, among other things, to do the following where the Receiver considers it necessary or desirable:
- a) Take possession of and exercise control over the property of the Companies;
 - b) Manage, operate and carry on the business of the Companies;
 - c) Initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Companies, the Property or the Receiver, and to settle or compromise any such proceedings; and,
 - d) Market any or all of the property of the Companies and negotiate such terms and conditions of sale as the Receiver may deem appropriate.
- 1.1.14 On August 5, 2016, the Receiver submitted a report (the “**First Report**”), attached without appendices as **Appendix D**, and a confidential supplemental report to the Court. A copy of the Order approving the First Report and the endorsement of Justice Garson dated August 16, 2016 and the endorsement of Justice Leitch dated August 23, 2016 and issued on August 29, 2016 are attached as **Appendix E**.

1.2 Purpose of the Receiver’s Second Report

- 1.2.1 This constitutes the Receiver’s Second Report to the Court (the “**Second Report**”) in this matter and is filed to:
- a) Report the results of a security review conducted by the Receiver’s independent legal counsel to the Court; and,
 - b) Request the Court issue an Order:
 - declaring the interests of the lessors and rental companies described therein to be subordinate to that of Roynat and BNS;
 - allowing the Receiver to dispose of the leased assets free and clear of the lessors and rental companies by way of an Approval and Vesting Order to subsequently be obtained by the Receiver; and

- allowing the Receiver to distribute the proceeds of sale of the leased assets to Roynat or BNS in priority to the lessors and rental companies pursuant to a Distribution Order to subsequently be obtained by the Receiver.

2.0

PPSA Searches

2.1 Entropex

2.1.2 According to a search conducted pursuant to the Personal Property Security Registration System (“PPSA Search”) dated August 31, 2016 the secured creditors of Entropex include the following:

- a) Roynat has made registrations with respect to three specific lease agreements relating to twelve (12) forklifts;
- b) Roynat has made a registration with respect to its debenture against all equipment, inventory, receivables and accounts (also registered against Unitec and 629);
- c) BNS has made a registration with respect to its general security agreement;
- d) Unitec has made a registration with respect to a general security agreement;
- e) Delage Landen Financial Services Canada Inc. has made a registration with respect to two forklifts (also registered against Unitec);
- f) Xerox has made a registration with respect to equipment with no description;
- g) Ryder Truck Rental Canada Ltd. has made a registration against a vehicle; and,
- h) Hewitt Material Handling has made a registration against a forklift.

2.1.3 A copy of the Entropex PPSA search is attached as **Appendix F**.

2.2 Unitec

2.2.1 According to a PPSA Search dated August 31, 2016 the secured creditors of Unitec include the following (excluding registrations against both Unitec and Entropex listed above):

- a) Roynat has made a registration with respect to a general security agreement;
- b) BNS has made a registration with respect to a general security agreement;
- c) Kevin, Timothy, Keith and Christopher Bechard, as well as Carolyn Hannon, Patricia Pequegnat and Joan Hett have made a registration with respect to a general security agreement;
- d) Deragon Leasing Inc. has made a registration with respect to one vehicle; and,
- e) National Leasing Inc. has made a registration with respect to lighting as described in a lease agreement.

2.2.2 A copy of the Unitec PPSA search is attached as **Appendix G**.

2.3 629

2.3.1 According to a PPSA Search dated August 31, 2016 the secured creditors of 629 include the following (excluding registrations against both 629 and Entropex listed above):

- f) Roynat has registered a general security agreement; and
- g) BNS has registered a general security agreement.

2.3.2 A copy of the 629 PPSA search is attached as **Appendix H**.

3.0 Security Review and Challenged Leases

- 3.1.1** The Receiver's independent legal counsel, Advocates LLP ("**Advocates**"), has reviewed the security registered by BNS and Roynat, as well as various other leasing/long term rental agreements.
- 3.1.2** Advocates has provided an opinion that the security registered by BNS and Roynat against the Companies is valid and enforceable and that the relative priorities of BNS and Roynat are as follows:
- (i) Entropex – BNS is in first priority position with respect to inventory and accounts while Roynat is in second priority position with respect to all remaining assets, subject to the priority of De Lage Landen and Xerox with respect to their specific secured assets;
 - (ii) 629 – BNS is in first priority position with respect to inventory and accounts while Roynat is in second priority position with respect to all remaining assets; and
 - (iii) Unitec – BNS is in first priority position with respect to inventory and accounts while Roynat is in second priority position with respect to all remaining assets, subject to the potential priority of National Leasing Group with respect to its specific secured asset.
- 3.1.3** Advocates has further provided an opinion that certain of the leasing/long term rental agreements, details of which are set out below, that relate to assets in the possession of the Receiver, represent either unsecured interests or secured interests subordinate to both BNS and Roynat. As such, it is the position of the Receiver that these assets ought to be included in the assets that can be sold by the Receiver free and clear of the interest of the subject lessor with the proceeds to be distributed to either Roynat or BNS as the senior secured creditors.
- 3.2 Procor Limited**
- 3.2.1** Entropex entered into a Rail Car Lease Agreement with Procor Limited ("**Procor**") dated August 27, 2001 (the "**Procor Lease**"). The Procor Lease provides the following:
- (i) Procor will lease to Entropex rail cars as set out in Riders added to the Procor Lease;
 - (ii) The Riders shall be part of the agreement between the parties;
 - (iii) The rental period for each leased rail car will be as set out in the applicable Rider; and
 - (iv) The Procor Lease shall be governed by the laws of the Province of Ontario.
- 3.2.2** In addition to the Procor Lease, the Receiver has located a Rider dated December 20, 2012 and described as Rider No.4 ("**Rider No.4**"), a renewal letter dated November 23, 2015 ("**Renewal #1**") and a renewal letter dated June 21, 2016 ("**Renewal #2**").
- 3.2.3** A copy of the Procor Lease, Rider No.4, Renewal #1 and Renewal #2 are attached as **Appendices I, J, K and L** respectively.
- 3.2.4** Following its appointment, the Receiver determined that Entropex is in possession of 27 rail cars leased from Procor pursuant to the Procor Lease.

3.2.5 A review of Rider No. 4, Renewal #1 and Renewal #2 provides the following information:

- (i) Entropex leased 23 rail cars pursuant to Rider No. 4 with the rental periods starting anywhere from December 20, 2012 to January 25, 2013 but all ending on December 31, 2015. As a result, all were leased for a term of more than one year;
- (ii) Cancellation notice could be provided by either party under the terms of Rider No. 4 however if such notice was not given by the end of the rental period, the rental period would automatically continue on a month-to-month basis;
- (iii) Renewal #1 provides that it is a “renewal proposal for the continued supply of the 23” rail cars which are scheduled to expire at the end of December 2015 and goes on to offer a new revised lease term of three years commencing January 1, 2016. There is a hand written note on Renewal #1 to change the number of rail cars from 23 to 27. Renewal #1 was accepted by Entropex on January 29, 2016;
- (iv) Renewal #2 indicates that it relates to a renewal for 23 rail cars and addition of 4 rail cars that are presently covered by Rider No. 4 and the Procor Lease; and
- (v) Renewal #2 includes an appendix that lists 27 rail cars with 23 of these being the same rail cars listed in Rider No. 4.

3.2.6 The Receiver has received a legal opinion which provides that a lessor of rail cars may perfect a security interest in those rail cars by either registering under the PPSA, or by making a registration through the office of the Registrar General of Canada at Industry Canada pursuant to the Canada Transportation Act (the “CTA”).

3.2.7 As can be seen from a review of Appendix D, Procor did not make a PPSA registration against Entropex.

3.2.8 On August 4, 2016, the Receiver’s legal counsel carried out a Railway Documents search through Industry Canada with respect to Procor and determined that although Procor has made 22 total registrations between January 1, 2000 and August 4, 2016, no registration was made as against Entropex. Attached as **Appendix M** is a copy of the Railway Tool search.

3.2.9 The Receiver has received a legal opinion providing that since Procor does not have a registration under either the PPSA or CTA it does not have a valid and enforceable secured interest in the railcars and therefore is subordinate to the claims of the perfected secured creditors.

3.2.10 The Receiver wrote to Procor on August 9, 2016 to advise of this opinion and request any additional documentation to support its secured claim. Procor’s legal counsel has advised that it disputes the Receiver’s right to sell the rail cars; however, has not yet provided a basis for this position.

3.3 Vacuum Trucks of Canada

3.3.1 Entropex entered into a rental agreement with Vacuum Trucks of Canada (“**Vacuum**”) dated November 20, 2014 (the “**Vacuum Agreement**”). A copy of the Vacuum Agreement is attached as **Appendix N**.

- 3.3.2** The Vacuum Agreement is for a Guzzler Classic Tele Boom Wash with serial number 14-09G-6010 and chassis with VIN 1NKDL70X1FJ436310. In layman's terms it is a chassis with a vacuum attached to it.
- 3.3.3** The Rental Terms and Conditions of the Vacuum Agreement are illegible; however, this is the only copy available to the Receiver. There is a Lessee's Insurance Undertaking attached as part of the Vacuum Agreement that provides the term of the lease is November 26, 2014 to April 19, 2015.
- 3.3.4** We are advised that despite the stated term of the lease, Entropex has had continuous possession of the asset since November, 2014.
- 3.3.5** The legal opinion received by the Receiver is that since Entropex has had possession of the leased asset for more than one year, the PPSA applies to the Vacuum Agreement. Since Vacuum does not have a registration under the PPSA it does not have a valid and enforceable secured interest in this asset.
- 3.3.6** The Receiver wrote to Vacuum on August 11, 2016 to advise of this opinion and request any additional documentation to support its secured claim. As of the date of this report Vacuum has not responded.
- 3.4** **Ryder Truck Rental Canada Ltd.**
- 3.4.1** Entropex entered into a Truck Lease and Service Agreement with Ryder Truck Rental Canada Ltd. ("**Ryder**") dated June 30, 2015 (the "**Ryder Agreement**"). A copy of the Ryder Agreement, signed by Entropex on July 22, 2015 and by Ryder on July 28, 2015 is attached as **Appendix O**. Also included as part of Appendix J is a completed Ryder Truck Rental Agreement Customer Information form (the "Customer Information Form").
- 3.4.2** The Ryder Agreement is for a 2011 International Prostar truck with serial number 1HSCUAPR2BJ388378.
- 3.4.3** The documents attached as Appendix M were provided to the Receiver by Ryder on July 26, 2016 by way of email. In that email, the Receiver was advised that Entropex took possession of the subject vehicle on September 17, 2015. Attached as **Appendix P** is a copy of the July 26, 2016 email.
- 3.4.4** The PPSA search included at Appendix D shows a registration made by Ryder on June 24, 2016 against equipment and motor vehicle with the same VIN as contained in the Ryder Agreement.
- 3.4.5** The legal opinion received by the Receiver is that the PPSA registration made by Ryder had the effect of perfecting Ryder's security interest; however, since it was made more than 15 days following the date of delivery of the truck, it does not qualify for a Purchase Money Security Interest ("**PMSI**") priority. It is therefore subordinate to all other security interests perfected prior to June 24, 2016.
- 3.4.6** Since Roynat registered a security interest prior to June 24, 2016 against equipment, with motor vehicle included, the legal opinion obtained by the Receiver is that it has a priority over Ryder.
- 3.4.7** The Receiver wrote to Ryder on July 26, 2016 to advise of this opinion and request any additional documentation to support its secured claim. Ryder's legal counsel has advised Advocates that it

is reviewing the security; however, as of the date of this report no further information has been provided.

3.5 De Lage Landen Financial Services Canada Inc.

3.5.1 Entropex entered into two lease agreements with De Lage Landen Financial Services Canada Inc. (“**DeLage**”) dated March 17, 2015 bearing Lease No. 577211, attached as **Appendix Q**, and Lease No. 577212, attached as **Appendix R** (collectively the “**DeLage Agreements**”). These versions of the DeLage Agreements are not signed by a representative of DeLage; however, they are the only versions available to the Receiver and we have assumed that they are final and enforceable.

3.5.2 The DeLage Agreements are for a 2011 Caterpillar 2C600 forklift with serial number AT83F31065 and a 2012 Caterpillar 2C600 forklift with serial number AT83F31350.

3.5.3 We are advised that Entropex has had possession of these assets since March, 2015.

3.5.4 The PPSA search included at Appendix D shows a registration made by DeLage on December 19, 2013 against equipment accounts and other, with motor vehicle included. However, the registration includes specific reference to two 2012 Caterpillar forklifts that are the subject of a different lease.

3.5.5 Since the registration contains limiting language (i.e. limiting to the assets described in the registration) it does not perfect an interest in favour of DeLage for the assets described in the DeLage Agreements. As such, DeLage does not have a valid and enforceable secured interest in these assets.

3.5.6 The Receiver wrote to DeLage on July 26, 2016 to advise of this opinion and request any additional documentation to support its secured claims. As of the date of this report DeLage has not responded.

3.6 Hewitt Material Handling

3.6.1 Entropex entered into a Lift Truck Rental Agreement with Hewitt Material Handling (“**Hewitt**”) on or about July 14, 2014 (the “**Hewitt Agreement**”). A copy of the Hewitt Agreement is attached as **Appendix S**. This version of the Hewitt Agreement is not executed; however, it is the only version available to the Receiver and we have assumed that it is final and enforceable.

3.6.2 The Hewitt Agreement is for an A1 2C5000 lift truck with serial number AT3540645.

3.6.3 We are advised that Entropex has had possession of the asset since July 14, 2014. This appears to be confirmed by the signed Pre-Shipping Document and Becker Bros. Trucking Inc. invoice attached as part of Appendix, both of which are dated July 14, 2014.

3.6.4 The legal opinion received by the Receiver is that since Entropex has had possession of the leased asset for more than one year, the PPSA applies to the Hewitt Agreement. Since Hewitt did not have a registration under the PPSA as of the date the Receiver was appointed it does not have a valid and enforceable secured interest in this asset.

3.6.5 The Receiver wrote to Hewitt on July 26, 2016 to advise of this opinion and request any additional documentation to support its secured claim. Counsel for Hewitt responded on August

29, 2016 to advise that a PPSA registration was made by Hewitt on August 25, 2016 and therefore Hewitt had a valid security interest in the leased forklift.

- 3.6.6** The Receiver subsequently obtained an updated legal opinion as a result of the Hewitt PPSA registration. That opinion is that although Hewitt did register security on August, 25, 2016 such that its interest became secured, since the registration was greater than 15 days from the date of delivery of the assets, the registration does not qualify for a PMSI priority. As such, the registration is subordinate to the prior-ranking charges of Roynat, BNS and Unitec.
- 3.6.7** Advocates advised Hewitt's legal counsel of the updated legal opinion and position of the Receiver that Hewitt remains in a subordinate position. Advocates has since been advised by Hewitt's legal counsel that it needs to review further documentation and information before a final position can be determined.

3.7 Modspace Financial Services

3.7.1 Entropex entered into five separate lease agreements with Modspace Financial Services ("**Modspace**"), as follows:

- Lease 73812 dated June 28, 2010, attached as **Appendix T**, for a 2010 Modspace model SNGL10-601411 10 x 40 foot trailer with serial number 140020968;
- Lease 99726 dated November 15, 2010, attached as **Appendix U**, for a 2010 Modspace model DESS-155650 12 x 40 foot trailer with serial number 240002112;
- Lease 99726F dated November 15, 2010, attached as **Appendix V**, for various furniture;
- Lease 154970 dated March 15, 2012, attached as **Appendix W**, for a 2012 Modspace model DESS-103716 12 x 40 foot trailer with serial number 1240P209398; and,
- Lease dated February 1, 2015, attached as **Appendix X**, for a 2014 Modspace model SNGL1020 10 x 20 foot trailer with no specified serial number.

(Collectively the "**Modspace Agreements**") These versions of the Modspace Agreements are not executed; however, they are the only versions available to the Receiver and we have assumed that they are final and enforceable.

- 3.7.2** We are advised that Entropex has had possession of the assets since on or around the lease dates.
- 3.7.3** The Receiver has received a legal opinion that since Entropex has had possession of the leased assets for more than one year, the PPSA applies to the Modspace Agreements.
- 3.7.4** Since Modspace does not have a registration under the PPSA it does not have valid and enforceable secured interest in the assets.
- 3.7.5** The Receiver wrote to Modspace on July 26, 2016 to advise of this opinion and request any additional documentation to support its secured claim. As of the date of this report Modspace has not responded.

3.8 Waste Management of Canada Corporation

- 3.8.1** Entropex entered into a lease agreement with Waste Management of Canada Corporation (“**Waste Management**”) dated November 9, 2011 (the “**Waste Management Agreement**”). A copy of the Waste Management Agreement is attached as **Appendix Y**.
- 3.8.2** The Waste Management Agreement is for a waste compactor model RJ 400 Ultra with no specified serial number.
- 3.8.3** We are advised that Entropex has had possession of the asset since November, 2011.
- 3.8.4** The Receiver has received a legal opinion that since Entropex has had possession of the leased asset for more than one year, the PPSA applies to the Waste Management Agreement.
- 3.8.5** Since Waste Management does not have a registration under the PPSA it does not have a valid and enforceable secured interest in this asset.
- 3.8.6** The Receiver wrote to Waste Management on August 26, 2016 to advise of this opinion and request any additional documentation to support its secured claim. As of the date of this report Waste Management has not responded.

3.9 Vincent Corporation

- 3.9.1** Entropex entered into a rental agreement with Vincent Corporation (“**Vincent**”) dated September 28, 2012 (the “**Vincent Agreement**”). A copy of the Vincent Agreement is attached as **Appendix Z**.
- 3.9.2** The Vincent Agreement is for the following assets:
- Vincent Model KP-10 Screw Press with serial number 12268-E
 - Steel support frame
 - Steel tank
- 3.9.3** We are advised that Entropex has had possession of the assets since October, 2012.
- 3.9.4** The Receiver has received a legal opinion that since Entropex has had possession of the leased asset for more than one year, the PPSA applies to the Vincent Agreement.
- 3.9.5** Since Vincent does not have a registration under the PPSA it does not have a valid and enforceable secured interest in this asset.
- 3.9.6** The Receiver wrote to Vincent on August 29, 2016 to advise of this opinion and request any additional documentation to support its secured claim. As of the date of this report Vincent has not responded.

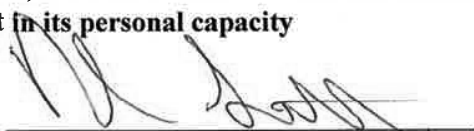
4.0***Order Sought***

4.1 We submit this **Second Report** to this Honourable Court in support of our Motion respectfully requesting this Honourable Court to issue an Order:

- a) declaring the interests of the lessors and rental companies described therein to be subordinate to that of Roynat and BNS;
- b) allowing the Receiver to dispose of the leased assets free and clear of the lessors and rental companies by way of an Approval and Vesting Order to subsequently be obtained by the Receiver; and
- c) allowing the Receiver to distribute the proceeds of sale of the leased assets to Roynat or BNS in priority to the lessors and rental companies pursuant to a Distribution Order to subsequently be obtained by the Receiver.

All of which is respectfully submitted this 31st day of August, 2016.

**MNP Ltd. in its capacity as
Receiver of
Entropex, 629728 Ontario Limited and Unitec Inc.
and not in its personal capacity**



Per: Robert W. Smith CPA, CA, CIRP, LIT
Senior Vice President

327637-5

GENERAL SECURITY AGREEMENT**1. ENTROPEX**

(NAME OF CUSTOMER)

of 1271 LOUGAR AVENUE, SARNIA, ONTARIO, N7S5N5

(the "Customer")

(ADDRESS OF CUSTOMER)

for valuable consideration grants, assigns, transfers, sets over, mortgages and charges to THE BANK OF NOVA SCOTIA, at its Branch located at 20 QUEEN STREET WEST, 4TH FLOOR, TORONTO, ONTARIO, M5H 3R3

(ADDRESS OF BRANCH)

(the "Bank") as and by way of a fixed and specific mortgage and charge, and grants to the Bank, a security interest in the present and after acquired undertaking and property (other than consumer goods) of the Customer including without limitation all the right title, interest and benefit which the Customer now has or may hereafter have in all property of the kinds hereinafter described (the "Collateral"):

- (a) all goods comprising the inventory of the Customer including but not limited to goods held for sale or lease or that have been leased or consigned to or by the Customer or furnished or to be furnished under a contract of service or that are raw materials, work in process or materials used or consumed in a business or profession or finished goods and timber cut or to be cut, oil, gas, hydrocarbons, and minerals extracted or to be extracted, all livestock and the young and unborn young thereof and all crops;
- (b) all goods which are not inventory or consumer goods, including but not limited to furniture, fixtures, equipment machinery, plant, tools, vehicles and other tangible personal property, whether described in Schedule "A" hereto or not;
- (c) all accounts, including deposit accounts in banks, credit unions, trust companies and similar institutions, debts, demands and choses in action which are now due, owing or accruing due or which may hereafter become due, owing or accruing due to the Customer, and all claims of any kind which the Customer now has or may hereafter have including but not limited to claims against the Crown and claims under insurance policies;
- (d) all chattel paper;
- (e) all money;
- (f) all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (g) all instruments, including but not limited to bills, notes, cheques, letters of credit, and advices of credit;
- (h) all investment property, including but not limited to shares, stock, warrants, bonds, debentures, debenture stock and other securities (whether evidenced by a security certificate or an uncertificated security) and financial assets, security entitlements, securities accounts, futures contracts and futures accounts;
- (i) all intangibles including but not limited to contracts, agreements, options, clearing house options, permits, licences, consents, approvals, authorizations, orders, judgments, certificates, rulings, insurance policies, agricultural and other quotas, subsidies, franchises, immunities, privileges, and benefits and all goodwill, patents, trade marks, trade names, trade secrets, inventions, processes, copyrights and other industrial or intellectual property;
- (j) with respect to the personal property described in subparagraphs (a) to (i) inclusive, all books, accounts, invoices, letters, papers, documents, disks, and other records in any form, electronic or otherwise, evidencing or relating thereto; and all contracts, investment property, securities, instruments and other rights and benefits in respect thereof;
- (k) with respect to the personal property described in subparagraphs (a) to (j) inclusive, all parts, components, renewals, substitutions and replacements thereof and all attachments, accessories and increases, additions and accessions thereto; and
- (l) with respect to the personal property described in subparagraphs (a) to (k) inclusive, all proceeds therefrom (other than consumer goods), including personal property in any form or fixtures derived directly or indirectly from any dealing with such property or proceeds therefrom, and any insurance or other payment as indemnity or compensation for loss of or damage to such property or any right to such payment, and any payment made in total or partial discharge or redemption of an intangible, chattel paper, instrument, security or investment property; and

In this Agreement, the words "goods", "consumer goods", "account", "account debtor", "inventory", "crops", "equipment", "fixtures", "chattel paper", "document of title", "instrument", "money", "security", or "securities", "intangible", "receiver", "proceeds", "accessions", "certificated security", "clearing house option", "control", "financial asset", "futures account", "futures contract", "futures intermediary", "investment property", "securities account", "securities intermediary", "security certificate", "security entitlement", and "uncertificated security" shall have the same meanings as their defined meanings where such words are defined in the Personal Property Security Act of the province or territory in which the Branch of the Bank mentioned in paragraph 1 is located, such Act including any amendments thereto, being referred to in this Agreement as "the PPSA". In this Agreement "Collateral" shall refer to "Collateral or any item thereof".

2. The fixed and specific mortgages and charges and the security interest granted under this Agreement secure payment and performance of all obligations of the Customer to the Bank, including but not limited to all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Customer to the Bank in any currency or remaining unpaid by the Customer to the Bank in any currency, whether arising from dealings between the Bank and the

B

Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer and wherever incurred, and whether incurred by the Customer alone or with another or others and whether as principal or surety, including all interest, commissions, legal and other costs, charges and expenses (the "Obligations").

3. The Customer hereby represents and warrants to the Bank that:

- (a) all of the Collateral is, or when the Customer acquires any right, title or interest therein, will be the sole property of the Customer free and clear of all security interests, mortgages, charges, hypothecs, liens or other encumbrances except as disclosed by the Customer to the Bank in writing;
- (b) the Collateral insofar as it consists of goods (other than inventory enroute from suppliers or enroute to customers or on lease or consignment) will be kept at the locations specified in Schedule "B" hereto or at such other locations as the Customer shall specify in writing to the Bank and subject to the provisions of paragraph 4(j) none of the Collateral shall be moved therefrom without the prior written consent of the Bank;
- (c) the Customer's chief executive office is located at the address specified in paragraph 1;
- (d) none of the Collateral consists of consumer goods; and
- (e) this Agreement has been properly authorized and constitutes a legally valid and binding obligation of the Customer in accordance with its terms.

4. The Customer hereby agrees that:

- (a) the Customer shall diligently maintain, use and operate the Collateral and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and the earnings, incomes, rents, issues and profits thereof;
- (b) the Customer shall cause the Collateral to be insured and kept insured to the full insurable value thereof with reputable Insurers against loss or damage by fire and such other risks as the Bank may reasonably require and shall maintain such insurance with loss if any payable to the Bank and shall lodge such policies with the Bank;
- (c) the Customer shall pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall exhibit to the Bank, when required, the receipts and vouchers establishing such payment;
- (d) the Customer shall duly observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (e) the Customer shall keep proper books of account in accordance with sound accounting practice, shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require, and the Customer shall permit the Bank or its authorized agents at any time at the expense of the Customer to examine all books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom;
- (f) the Customer shall furnish to the Bank such information with respect to the Collateral and the insurance thereon as the Bank may from time to time require and shall give written notice to the Bank of all litigation before any court, administrative board or other tribunal affecting the Customer or the Collateral;
- (g) the Customer shall defend the title to the Collateral against all persons and shall keep the Collateral free and clear of all security interests, mortgages, charges, liens and other encumbrances except for those disclosed to the Bank in writing prior to the execution of this Agreement or hereafter approved in writing by the Bank prior to their creation or assumption;
- (h) the Customer shall, upon request by the Bank, execute and deliver all such financing statements, certificates, further assignments and documents and do all such further acts and things as may be considered by the Bank to be necessary or desirable to give effect to the intent of this Agreement and the Customer hereby irrevocably constitutes and appoints the Manager or Acting Manager for the time being of the Branch of the Bank mentioned in paragraph 1, the true and lawful attorney of the Customer, with full power of substitution, to do any of the foregoing in the name of the Customer whenever and wherever the Bank may consider it to be necessary or desirable;
- (i) the Customer shall promptly notify the Bank in writing of any event which occurs that would have a material adverse effect upon the Collateral or upon the financial condition of the Customer and immediately upon the Customer's acquisition of rights in any vehicle, mobile home, trailer, boat, outboard motor for a boat, aircraft or aircraft engine, shall promptly provide the Bank with full particulars, including serial number, of such Collateral; and
- (j) the Customer will not change its name or the location of its chief executive office or place of business or sell, exchange, transfer, assign or lease or otherwise dispose of or change the use of the Collateral or any interest therein or modify, amend or terminate any chattel paper, document of title, instrument, security, investment property or intangible, without the prior written consent of the Bank, except that the Customer may, until an event of default set out in paragraph 9 occurs, sell or lease inventory in the ordinary course of the Customer's business.

5. Until an event of default occurs, the Customer may use the Collateral in any lawful manner not inconsistent with this Agreement or any other agreement to which the Bank and the Customer are parties, but the Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Customer agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith, and for such purpose shall permit the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Customer to examine and inspect the Collateral and related records and documents.

6. Before or after an event of default occurs, the Bank may give notice to any or all account debtors of the Customer and to any or all persons liable to the Customer under an instrument to make all further payments to the Bank and any payments or other proceeds of Collateral received by the Customer from account debtors or from any persons liable to the Customer under an instrument, whether before or after such notice is given by the Bank, shall be held by the Customer in trust for the Bank and paid over to the Bank upon request. The Bank may take charge of all proceeds of Collateral and may apply any money taken as Collateral to the satisfaction of the Obligations secured hereby. The Bank may hold as additional security any increase or profits, except money, received from any Collateral in the Bank's possession, and may apply any money received from such Collateral to reduce the Obligations secured hereby and may hold any balance as additional security for such part of the Obligations as may not yet be due, whether absolute or contingent. The Bank will not be obligated to keep any Collateral separate or identifiable. In the case of any instrument, security, investment property or chattel paper comprising part of the Collateral, the Bank will not be obligated to take any necessary or other steps to preserve rights against other persons.

7. Before or after an event of default occurs, the Bank may have any Collateral comprising instruments, shares, stock, warrants, bonds, debentures, debenture stock, securities or other investment property, registered in its name or in the name of its nominee and shall be entitled but not bound or required to vote in respect of such Collateral at any meeting at which the holder thereof is entitled to vote and, generally, to exercise any of the rights which the holder of such Collateral may at any time have. The Customer will also take such steps as the Bank requires to enable the Bank to obtain and maintain control of any investment property, including but not limited to arranging for any issuer of uncertificated securities, securities intermediary or futures intermediary to enter into an agreement satisfactory to the Bank to enable the Bank to obtain and maintain control. The Bank shall not be responsible for any loss occasioned by the exercise of any of any rights contemplated in this paragraph or by failure to exercise the same within the time limited for the exercise thereof.

8. Upon the Customer's failure to perform any of its duties hereunder, the Bank may, but shall not be obliged to, perform any or all of such duties, without waiving any rights to enforce this Agreement, and the Customer shall pay to the Bank, forthwith upon written demand therefor, an amount equal to the costs, fees and expenses incurred by the Bank in so doing plus interest thereon from the date such costs, fees and expenses are incurred until paid at the rate of 3% per annum over the Prime Lending Rate of the Bank in effect from time to time. The "Prime Lending Rate of the Bank" means the variable per annum, reference rate of interest as announced and adjusted by the Bank from time to time for loans made by the Bank in Canada in Canadian dollars.

9. The happening of any one or more of the following events shall constitute an event of default under this Agreement:

- (a) if the Customer does not pay when due any of the Obligations;
- (b) if the Customer does not perform any provisions of this Agreement or of any other agreement to which the Customer and the Bank are parties;
- (c) if the Customer ceases or threatens to cease to carry on its business, commits an act of bankruptcy, becomes insolvent makes an assignment or proposal under the Bankruptcy and Insolvency Act, takes advantage of provisions for relief under the Companies' Creditors Arrangement Act or any other legislation for the benefit of insolvent debtors, transfers all or substantially all of its assets, or proposes a compromise or arrangement to its creditors;
- (d) if the Customer enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement;
- (e) if any proceeding is taken with respect to a compromise or arrangement or to have the Customer declared bankrupt or wound up, or if any proceeding is taken, whether in court or under the terms of any agreement or appointment in writing, to have a receiver appointed of any Collateral or if any encumbrance becomes enforceable against any Collateral;
- (f) if any execution, sequestration or extent or any other process of any court becomes enforceable against the Customer or if any distress or analogous process is levied upon any Collateral;
- (g) if the Bank in good faith believes and has commercially reasonable grounds for believing that the prospect of payment or performance of any Obligation is or is about to be impaired or that any Collateral is or is about to be in danger of being lost, damaged, confiscated or placed in jeopardy.

10. If an event of default occurs, the Bank may withhold any future advances and may declare that the Obligations shall immediately become due and payable in full, and the Bank may proceed to enforce payment of the Obligations and the Customer and the Bank shall have, in addition to any other rights and remedies provided by law, the rights and remedies of a debtor and a secured party respectively under the PPSA and other applicable legislation and those provided by this Agreement. The Bank may take possession of the Collateral, enter upon any premises of the Customer, otherwise enforce this Agreement, enforce its rights under any agreement with any issuer of uncertificated securities, securities intermediary or futures intermediary and enforce any rights of the Customer in respect of the Collateral by any manner permitted by law and may use the Collateral in the manner and to the extent that the Bank may consider appropriate and may hold, insure, repair, process, maintain, protect, preserve, prepare for disposition and dispose of the same and may require the Customer to assemble the Collateral and deliver or make the Collateral available to the Bank at a reasonably convenient place designated by the Bank.

11. Where required to do so by the PPSA, or other relevant legislation, the Bank shall give to the Customer the written notice required by the PPSA or such other relevant legislation of an intended enforcement or disposition of the Collateral by serving such notice personally on the Customer or by mailing such notice by registered mail to the last known post office address of the Customer or by electronic transmission to the last known electronic mailing or transmission address of the Customer or by any other method authorized or permitted by the PPSA or such other relevant legislation.

12. If an event of default occurs, the Bank may take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term shall include a receiver and manager) of the Collateral or may by appointment in writing appoint any person to be a receiver of the Collateral and may remove any receiver so appointed by the Bank and appoint another in his stead; and any such receiver appointed by instrument in writing shall, to the extent permitted by applicable law or to such lesser extent permitted, have all of the rights, benefits and powers of the Bank hereunder or under the PPSA or otherwise and without limitation have power (a) to take possession of the Collateral, (b) to carry on all or any part or parts of the business of the Customer, (c) to borrow money required for the seizure, retaking, repossession, holding, insurance, repairing, processing, maintaining, protecting, preserving, preparing for disposition, disposition of the Collateral and for any other enforcement of this Agreement or for the carrying on of the business of the Customer on the security of the Collateral in priority to the security interest created under this Agreement, and (d) to sell, lease or otherwise dispose of the whole or any part of the Collateral at public auction, by public tender or by private sale, lease or other disposition either for cash or upon credit, at such time and upon such terms and conditions as the receiver may determine provided that if any such disposition involves deferred payment the Bank will not be accountable for and the Customer will not be entitled to be credited with the proceeds of any such disposition until the monies therefor are actually received; and further provided that any such receiver shall be deemed the agent of the Customer and the Bank shall not be in any way responsible for any misconduct or negligence of any such receiver.

13. Any proceeds of any disposition of any Collateral may be applied by the Bank to the payment of expenses incurred or paid in connection with seizing, repossessing, retaking, holding, repairing, processing, insuring, preserving, preparing for disposition and disposing of the Collateral (including reasonable solicitor's fees and legal expenses and any other reasonable expenses), and any balance of such proceeds may be applied by the Bank towards the payment of the Obligations in such order of application as the Bank may from time to time effect. All such expenses and all amounts borrowed on the security of the Collateral under paragraph 12 shall bear interest at the rate of 3% per annum over the Prime Lending Rate of the Bank in effect from time to time, shall be payable by the Customer upon demand and shall be Obligations under this Agreement. If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement and the expenses incurred by the Bank, the Customer shall be liable to pay any deficiency to the Bank on demand.

14. The Customer and the Bank further agree that:

- (a) the Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Customer, debtors of the Customer, sureties and others and with the Collateral or other security as the Bank may see fit without prejudice to the liability of the Customer and the Bank's rights under this Agreement
- (b) this Agreement shall not be considered as satisfied or discharged by any intermediate payment of all or any part of the Obligations but shall constitute and be a continuing security to the Bank for a current or running account and shall be in addition to and not in substitution for any other security now or hereafter held by the Bank;
- (c) nothing in this Agreement shall obligate the Bank to make any loan or accommodation to the Customer or extend the time for payment or satisfaction of the Obligations;
- (d) any failure by the Bank to exercise any right set out in this Agreement shall not constitute a waiver thereof; nothing in this Agreement or in the Obligations secured by this Agreement shall preclude any other remedy by action or otherwise for the enforcement of this Agreement or the payment in full of the Obligations secured by this Agreement;
- (e) all rights of the Bank under this Agreement shall be assignable and in any action brought by an assignee to enforce such rights, the Customer shall not assert against the assignee any claim or defence which the Customer now has or may hereafter have against the Bank;
- (f) all rights of the Bank under this Agreement shall enure to the benefit of its successors and assigns and all obligations of the Customer under this Agreement shall bind the Customer, his heirs, executors, administrators, successors and assigns;
- (g) if more than one Customer executes this Agreement their obligations under this Agreement shall be joint and several, and the Obligations shall include those of all or any one or more of them;
- (h) if the Customer is a corporation, The Limitation of Civil Rights Act of the province of Saskatchewan shall have no application to this Agreement or to any agreement or instrument renewing or extending or collateral to this Agreement or to the rights, powers or remedies of the Bank under this Agreement;
- (i) this Agreement shall be governed in all respects by the laws of the jurisdiction in which the Branch of the Bank mentioned in paragraph 1 is located;
- (j) the time for attachment of the security interest created hereby has not been postponed and is intended to attach when this Agreement is signed by the Customer and attaches at that time to Collateral in which the Customer then has any right, title or interest and attaches to Collateral in which the Customer subsequently acquires any right title or interest at the time when the Customer first acquires such right, title or interest.

The Customer acknowledges receiving a copy of this Agreement.

The Customer expressly waives the right to receive a copy of any financing statement or financing change statement which may be registered by the Bank in connection with this Agreement or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by law.

Signed this 13 day of MAY 2014 /

Customer: ENTROPEX

Witness:

J. Naikman by: [Signature]
C.R.M. TITLE RESIDENT

D. AKMAN by: _____
 TITLE _____

FULL NAME AND ADDRESS OF THE CUSTOMER (FOR INDIVIDUAL(S), INSERT FIRST GIVEN NAME, INITIAL OF SECOND GIVEN NAME, (FULL SECOND NAME IN ALBERTA, SASKATCHEWAN AND BRITISH COLUMBIA) IF ANY, THEN SURNAME)	IF GIVEN BY INDIVIDUAL(S) RECORD DATE OF BIRTH DAY MONTH YEAR	SEX	
		M	F
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

SCHEDULE "A"

(Description of Collateral)

If space is insufficient attach additional page headed Page 2 of Schedule "A".

SCHEDULE "B"

(Location of Collateral)

If space is insufficient attach additional page headed Page 2 of Schedule "B".

1271 LOUGAR AVENUE, SARNIA, ONTARIO, N7S5N5

DATE RECEIVED MAY 15 2014
 RECORDED
 APPROVED [Signature]
 E.O. AUDITOR

2311(19) (12/13)

B

327637-6

Canadian Securities Registration Systems (ONCNS9)

Report Date: May 22, 2014

ONCNS9F283184-1
REGISTERED

REGISTRATION STATEMENT (ON)

REGISTRATION INFORMATION

Registration Number 20140522111115327864	Registration Date 22 MAY 2014	Registration Time 11:11 AM	Expiry Date 22 MAY 2019
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Reference File Number
696359376

Type of Registration SECURITY AGREEMENT	Life of Registration 5 Years
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SECURED PARTY INFORMATION

The Bank of Nova Scotia
20 Queen St West 4th floor
Toronto ON M5H 3R3 CANADA

DEBTOR INFORMATION

ENTROPEX
1271 LOUGAR AVENUE
SARNIA ON N7S 5N5 CANADA

COLLATERAL CLASSIFICATION

Inventory <input checked="" type="checkbox"/>	Equipment <input checked="" type="checkbox"/>	Consumer Goods <input type="checkbox"/>	Accounts <input checked="" type="checkbox"/>	Other <input checked="" type="checkbox"/>	Vehicle Included <input type="checkbox"/>
Amount secured \$0	Maturity date NO FIXED DATE				

Your reference F327637D6

POST REGISTRATION SEARCH WAS PERFORMED ON THE FOLLOWING

Debtor Only

47696

ENTROPEX SARNIA

Issued to: **Roynat Inc.**
 40 King Street West, 26th Floor, Toronto, ON M5H 1H1
 Facsimile No. (416) 933-2783

ENTROPEX
 1271 Lougar Avenue
 Sarnia, ON N7S 5N5
 Fax No. (519) 332-8220

DEBENTURE

US\$3,863,000

July 28, 2014

1. 629728 ONTARIO LIMITED and UNTEC INC. carrying on business in partnership as ENTROPEX (the "Borrower") for value received hereby promises to pay to Roynat Inc. ("Roynat"), at its address specified above, the principal amount of Three Million Eight Hundred Sixty-Three United States Dollars (US\$3,863,000) in the manner hereinafter provided, together with all other moneys which may from time to time be owing hereunder or pursuant hereto. The principal amount of this Debenture will be advanced in two (2) tranches, the first of which will be in the amount of US\$2,000,000 and the second of which will be in the amount of US\$1,863,000.

2. Principal Payments. Subject to the provisions of this Debenture:

(a) the principal amount of the first tranche hereof shall become due and payable by instalments payable on the 15th day of each month as follows:

Number of Payments	Payment Amount	Payment Frequency	Payment Starts	Payment Ends
59	\$16,660	monthly	August 15, 2014	June 15, 2019
1	\$1,017,060	Once	July 15, 2019	July 15, 2019

and the balance of the said principal amount of the first tranche, together with interest and all other monies owing in respect of the first tranche, shall become due and payable on the 15th day of July, 2019; and

(b) the principal amount of the second tranche hereof shall be repaid over a five (5) year term and on a ten (10) year straight line year amortization from the date of final disbursement (similar to the first tranche) and the balance of such second tranche, together with interest and all other monies owing in respect of the second tranche, shall become due and payable on the 15th day of the last month of such five (5) year term.

3. Interest. Interest shall be payable on the 15th day of each month on the balance from time to time outstanding of the principal amount of this Debenture, any overdue interest and any other moneys due and payable hereunder, both before and after maturity, default or judgment, at the rate of interest per annum (the "Loan Rate") which is 3.25% greater than the Roynat's U.S. Floating Base Rate for the Applicable Period calculated and compounded monthly, computed from the respective dates of advance of the moneys by Roynat to the Borrower until payment in full of all moneys owing hereunder. Roynat shall notify the Borrower at least five days prior to each interest payment date of the Roynat's U.S. Floating Base Rate for the Applicable Period but the non-receipt of any such notice by the Borrower or the failure of Roynat to give such notice shall in no way limit or negate the obligation of the Borrower to pay interest on such payment date. The first interest payment date shall be the 15th day of the month in which the first advance is made by Roynat hereunder or, if the first advance is made after the 15th day of a month, the first interest

- 2 -

payment date shall be the 15th day of the next succeeding month. At the option of Roynat, interest accrued may be deducted from proceeds of advances hereunder.

4. **Prepayment.** The Borrower may prepay the principal amount of this Debenture prior to maturity either in whole at any time or, when not in default hereunder, in part from time to time on not less than 30 days' written notice upon payment of the principal amount being prepaid plus, if the funds used for the prepayment are generated from the ordinary course business operations of the Borrower, an additional amount equal to the greater of (x) three months' interest on such principal amount at the Loan Rate in effect on the date fixed by the Borrower for the prepayment and (y) 3% of the principal amount being prepaid. If the funds used for the prepayment are from any other source, an additional amount equal to the greater of (A) six months' interest at the Loan Rate on the principal amount prepaid, and (B) 3% of the principal amount being prepaid shall also be paid by the Borrower. In each case, such amount to be paid together with accrued and unpaid interest on such principal amount to the date fixed for prepayment and, in the case of prepayment in whole, all other moneys owing hereunder. The Borrower shall have no other right of prepayment. Partial prepayment will be applied in reverse order of scheduled repayment.

Notwithstanding the foregoing paragraph, the Borrower may, when not in default hereunder and provided the Loan Rate is a floating rate of interest, prepay without penalty in each year on the anniversary date of this Debenture an amount not exceeding 10% of the principal amount outstanding on the date of such prepayment, together with accrued and unpaid interest on such principal amount to the date fixed for redemption. This right may be exercised once during each 12 month period following the date of the initial advance of funds hereunder, and shall be non-cumulative.

- 4A. **Conversion to Fixed Interest Rate.** The Borrower may at any time request that Roynat provide a quotation as to the availability of fixed interest rates on the principal of this Debenture. Within 5 days after receipt of such request, Roynat shall provide a written offer to the Borrower, offering specified rates of interest for a selection of fixed interest periods as Roynat may then be able to provide and specifying a date from which the conversion would be effective (the "Conversion Date"). Such rates of interest shall be 3.25% above Roynat's U.S. Term Base Rate for the relevant periods. The offer shall stipulate any extensions of the term of this Debenture that Roynat may require. If the Borrower accepts such offer by selecting the applicable interest rate and fixed interest period, the rate so specified and accepted shall be the "Loan Rate" for all purposes of this Debenture from and after the Conversion Date for the fixed interest period selected. If such period expires before the end of the agreed extended term, the rate of interest on this Debenture shall revert to the variable rate, as provided in Section 3 hereof for the balance of the agreed extended term, but the Borrower may thereafter avail itself again of the provisions of this Section 4A. The Borrower shall forthwith execute and deliver such documentation, if any, as Roynat shall request to give effect to any interest rate conversion or extension of the term of this Debenture. The Borrower shall have no right to redeem this Debenture after conversion to a constant interest rate except as may be specified in the offer from Roynat accepted by the Borrower, notwithstanding the provisions of Section 4 hereof.

For the purposes of this Section:

"Roynat's U.S. Term Base Rate" means, at any time, the annual rate of interest (computed on the basis of a 360-day year, in each case for the actual number of days elapsed) which Roynat establishes at its principal office in Toronto as the reference rate of interest which Roynat will charge for closed fixed rate term loans in U.S. dollars made to its customers in Canada for varying durations and which it refers to as "Roynat's U.S. Term Base Rate" for that duration of loan.

5. **Partial Payments.** In case less than the total principal amount of this Debenture is redeemed at any time, the principal amount so redeemed shall be credited against the principal payable hereunder in inverse order of maturity.
6. **Security.** As security for the payment of the principal, interest and all other moneys from time to time payable under this Debenture, and the performance by the Borrower of all its obligations hereunder and to better secure the principal, interest and other monies from time to time secured hereunder, but subject to Permitted Encumbrances and to the exception as to leaseholds hereinafter contained, the Borrower hereby

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- 3 -

grants a security interest in and grants, assigns, mortgages and charges, as and by way of a first, fixed and specific mortgage and charge to and in favour of Roynat:

- (a) all real and immoveable property, both freehold and leasehold, now owned or hereafter acquired by the Borrower, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith, including without limitation the property described in Schedule "B" hereto; and
- (b) all furniture, machinery, equipment, vehicles, accessories and other tangible personal property (other than Inventory) now owned or hereafter acquired by the Borrower or in respect of which the Borrower now or hereafter has any right, title or interest, together with any proceeds of sale or disposition thereof.

And for the same consideration and purposes and subject to the same exceptions, the Borrower hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Borrower and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

Provided, however, and notwithstanding the above, that such fixed and specific mortgage and charge and floating charge to and in favour of Roynat shall be subject to security previously granted in favour of Her Majesty the Queen in Right of the Province of Ontario, as represented by the Minister of Research and Innovation over the equipment listed in Schedule "C" hereto.

Provided that such floating charge shall not prevent the Borrower from time to time until the security hereby constituted shall have become enforceable from selling, leasing or otherwise disposing of the property, rights and assets included in such floating charge or from making expenditures with a view to the expansion of its business or from giving security constituting Permitted Encumbrances, all in the ordinary course of its business and subject to the provisions of this Debenture. In particular, the Borrower may give security to its banker (but not to more than one banker or banking syndicate) on its Inventory or by way of assignment of its trade receivables (by way of confirmation, trade receivables do not include proceeds of life insurance policies assigned to Roynat or proceeds of the sale or disposition of property specifically mortgaged or charged hereunder or under any instrument supplemental hereto) and such security if validly perfected shall rank prior to the lien hereof on such assets without further action by Roynat. Notwithstanding any other provision of this Debenture except as provided in the foregoing sentence, the security interests constituted hereby and by any supplemental security granted to Roynat shall not be subordinate to, nor is there any intention to subordinate such security interests to, any Permitted Encumbrances or security interests held by others.

All security interests created by this Debenture attach immediately upon execution of the Debenture. The attachment of the floating charge has not been postponed and the floating charge shall attach to any particular property intended to be subject to it as soon as the Borrower has rights in such property.

All property and assets of the Borrower whether specifically charged or subjected to the floating charge are hereinafter referred to as the "Mortgaged Premises".

7. Exception as to Leaseholds. It is hereby declared that the last day of any term of years reserved by any lease or sublease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Borrower is excepted out of the Mortgaged Premises, but the Borrower shall stand possessed of any such reversion upon trust to assign and dispose thereof as Roynat may direct.
8. Payments and Notice. Any payments not received by Roynat by two o'clock p.m. on a Business Day shall be deemed to have been received on the next Business Day. Any notice required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication or by

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- 4 -

sending the same by registered mail, postage prepaid, to Roynat or to the Borrower at their respective addresses set out above and, in the case of electronic communication, to the facsimile numbers set out above. Any notice so delivered shall be conclusively deemed given when personally delivered and any notice sent by facsimile or other means of electronic transmission shall be deemed to have been delivered on the Business Day following the sending of the notice, and any notice so mailed shall be conclusively deemed given on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto.

9. Covenants.

- (a) This Debenture is issued subject to and with the benefit of all the covenants, terms and conditions in Schedule "A" hereto which Schedule forms a part hereof.
- (b) In addition to such covenants, terms and conditions, the Borrower covenants with Roynat that so long as this Debenture remains outstanding the Borrower shall:
- (i) execute and deliver all such documents as may be necessary to maintain in force the pre-authorized payment system specified in the Offer of Finance;
 - (ii) maintain a consolidated Working Capital ratio of not less than 1.0:1.0 beginning fiscal year end May 31, 2014;
 - (iii) together with the guarantors (629728 Ontario Limited, Unitec Inc., NxGen Holdings Inc., Entropex RigidReclaim Inc. and Entropex Logistics Inc.) maintain a consolidated Debt Service Coverage Ratio of not less than 1.25:1.00. For the purposes hereof "Debt Service Coverage Ratio" is defined, with respect to the person concerned, as the ratio obtained by dividing:
 - (A) the sum of the net income, deferred income taxes, amortization and depreciation, interest on the term debt and capital leases, non-recurring or extraordinary items and gains or losses on disposals of assets, by
 - (B) the sum of regular payments of principal and interest made or required to be made on the term debt and the capital leases over the last twelve (12) months,
 calculated on a rolling four (4) quarter basis and tested semi-annually.
 - (iv) following the advance of the second tranche of the principal amount of this Debenture, the Borrower shall maintain a maximum ratio of total debt to tangible net worth of 2.50:1.0.
- (c) The shareholders of Unitec Inc. shall postpone repayment of their loans totalling \$4,654,596 and all interest thereon (however, such shareholder loans may begin repayment after the submission of fiscal year end 2015 results demonstrating no default exists and such repayments are approved in writing by Roynat).
- (d) The Borrower's operating lender will be permitted to obtain a second charge on the property described in Schedule "B" hereto. Any further limited fixed charges over such property must be approved, in advance, by Roynat and the amount of such limited fixed charges shall be included in the calculation of total debt as it applies to the total debt to tangible net worth covenant maximum of 2.50:1.0.
- (e) On request, the Borrower shall provide Roynat with evidence (on a semi-annual basis, or more frequently if requested) confirming all super priority remittances are current. Super priorities

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- 5 -

- include all statutory remittances including but not limited to source deductions for income tax, CPP and employment insurance premiums.
- (f) Voting Control (direct or indirect) of 629728 Ontario Limited and Unitec Inc., now vested in the Bechard family, may only change with Roynat's prior written approval.
- (g) All indebtedness of the Borrower, all guarantors and any subsidiaries (including the forgivable loan provided by the Ministry of Research and Innovation) to Roynat or to any other lender shall be cross defaulted.
- (h) The Borrower shall provide written evidence, satisfactory to Roynat, of payment of property taxes within forty-five (45) days of the due date for such taxes. Failure to provide such confirmation, or confirmation that any property taxes have fallen in arrears, shall result in Roynat collecting by preauthorized payment system, the tax arrears and future taxes payable.
- (i) If there is any change from the accounting policies, practices and calculation methods used by the Borrower or any of the guarantors (629728 Ontario Limited, Unitec Inc., NxGen Holdings Inc., Entropex RigidReclaim Inc. and Entropex Logistics Inc.) in preparing any part of the required financial statements for the fiscal year most recently completed before the date of the Offer of Finance, each of the Borrower and such guarantors shall provide Roynat with all information that Roynat requires to ensure that reporting provided to Roynat after any changes are comparable to previous reporting. In addition, all calculations made for the purposes of the Offer of Finance shall continue to be made based on the accounting policies, practices and calculation methods in effect as of the date of the financial statements for the most recently-completed fiscal year. In the event of a change in the accounting policies, practices and calculation methods, Roynat retains the right (i) to act on any default under the financial covenants or any other terms and conditions as defined in the Offer of Finance or this Debenture that is disclosed by applying the previous accounting policies, practices and calculation methods, and (ii) at its discretion and acting reasonably, to amend/reset covenants that are affected by the change.
10. **Offer of Finance.** This Debenture is being issued by the Borrower to Roynat pursuant to the terms of a certain letter agreement between the Borrower and Roynat dated April 17, 2014 (such letter agreement including any amendments, restatements or substitutes thereto being herein called the "Offer of Finance"). All terms and conditions of the Offer of Finance shall remain in full force and effect, except to the extent inconsistent with the provisions of this Debenture and, in the event of any inconsistencies between the provisions of the Offer of Finance and this Debenture, the provisions of the Offer of Finance shall govern.
11. **Maximum Recovery.** If any amounts, whether on account of interest, fees, bonus or additional consideration, becomes payable to or is received by Roynat pursuant to this Debenture, the Offer of Finance, any other security document or other agreement which would exceed the maximum amount recoverable under applicable law on moneys advanced by Roynat:
- (a) any amounts so payable shall be reduced and are hereby limited to the maximum amount recoverable under applicable law;
- (b) any amounts so received by Roynat shall, at Roynat's option, either be returned to the Borrower or, notwithstanding Section 4 hereof, be deemed to have been received by Roynat as a partial redemption of this Debenture and shall be credited against principal payable hereunder in inverse order of maturity; and
- (c) if paragraph (a) requires the reduction in an amount or amounts payable to Roynat, Roynat in its sole discretion shall determine which amount or amounts shall be reduced to ensure compliance with this Section 11.

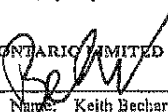
- 12. Extensions and Amendments. Any agreement for the extension of the time of payment of the moneys heroby secured or any part thereof made at, before or after maturity, and prior to the execution of a discharge or release of this Debenture, or any agreement for altering the term, rate of interest (whether increased or decreased), the amount of the principal payments hereunder or any other covenant or condition hereof, need not be registered in any office of public record but shall be effectual and binding upon the Borrower and upon every subsequent mortgagee, chargee, encumbrancer or other person claiming an interest in the Mortgaged Premises or any part thereof when executed by the Borrower and delivered to Roynat.
- 13. Receipt. The Borrower hereby acknowledges receipt of a true copy of this Debenture and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Debenture or any supplemental or collateral security granted to Roynat.
- 14. Governing Law and Headings. This Debenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.
- 15. Invalidity, etc. Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.
- 16. Interest Calculations. Interest payable on the Debenture shall be payable both before and after demand, default and judgement at the Loan Rate with interest on overdue interest at the same rate. For the purposus of the *Interest Act* (Canada), the yearly rate of interest applicable to amounts owing on this Debenture shall be calculated on the basis of a 365 day year.

IN WITNESS WHEREOF the Borrower has executed this Debenture.

ENTROPEX, by its partners

629728 ONTARIO LIMITED

Per:



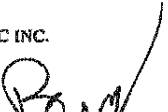
Name: Keith Bechard

Title: President

I/We have the authority to bind the corporation

UNITEC INC.

Per:



Name: Keith Bechard

Title: President

I/We have the authority to bind the corporation

SCHEDULE "A"

1. THE BORROWER HEREBY DECLARES, COVENANTS AND AGREES THAT IT:

- (a) As to Title - is the sole legal and beneficial owner of the Mortgaged Premises and owns the same free of all encumbrances other than Permitted Encumbrances;
- (b) Further Assurances - shall at its expense on the request of Roynat, execute and deliver to Roynat such further assurances and documents as Roynat may require to perfect Roynat's security on all or any part of the Mortgaged Premises, or to specifically charge any or all of the property then subject to the floating charge created hereby;
- (c) Pay Costs - shall pay all reasonable costs and expenses (including complete reimbursement for 100% of all legal fees and disbursements) of Roynat incidental to or which in any way relates to this Debenture or its enforcement including (i) the preparation, execution and filing of this Debenture and any instruments postponing, discharging, amending, extending or supplemental to this Debenture or any security required by any Offer of Finance ("Roynat's Security"); (ii) perfecting and keeping perfected Roynat's Security; (iii) maintaining the intended priority of Roynat's Security on all or any part of the Mortgaged Premises; (iv) taking, recovering or possessing the Mortgaged Premises; (v) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Debenture or the Mortgaged Premises, or by reason of a default hereunder or the non-payment of the moneys hereby secured; (vi) taking proceedings, giving notices and giving responses required under any applicable law concerning or relating to Roynat's Security, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; (vii) any inspections required to be made to the Mortgaged Premises, or the review of any plans, specifications or other documentation which may require the approval or consent of Roynat; (viii) responding to or participating in proceedings in the nature of those described in Sections 9(e), (f) and (g) hereof; and (ix) obtaining the advice of counsel and other advisors in relation to the foregoing;
- all such costs and expenses and other monies payable hereunder, together with interest at the Loan Rate, shall be payable on demand and shall upon being incurred by Roynat be secured hereby and constitute a charge on the Mortgaged Premises and any proceeds of realization;
- (d) To Pay Rents and Taxes - shall pay all rents, taxes and assessments lawfully imposed upon the Mortgaged Premises or any part thereof and upon the income and profits of the Borrower when the same become due and payable, shall show to Roynat on request receipts for such payment;
- (e) To Maintain Corporate Existence and Security - shall maintain its corporate existence, shall keep the Mortgaged Premises in good condition and repair, shall maintain the security hereby created as a valid and effective security at all times so long as any moneys are outstanding hereunder, shall carry on and conduct its business in a proper and efficient manner and in accordance with all applicable laws, regulations and judgments, shall not materially alter the kind of business carried on by it, shall advise Roynat promptly in writing of any proposed change in its name, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Mortgaged Premises and the income therefrom, and shall keep proper books of accounts with correct entries of all transactions in relation to its business;
- (f) Not to Sell - shall not, except as otherwise permitted hereunder, remove, destroy, lease, sell or otherwise dispose of any of the Mortgaged Premises; provided that the Borrower may sell or otherwise dispose of furniture, machinery, equipment, vehicles and accessories in any consecutive twelve month period having a total value of less than \$100,000 which have become worn out or damaged or otherwise unsuitable for their purposes on condition that it shall substitute therefor, subject to the lien hereof and free from prior liens or charges, property of equal value so that the security hereby constituted shall not thereby be in any way reduced or impaired. If any Offer of

- 8 -

Finance provides that the Borrower is permitted to sell or otherwise dispose of any Mortgaged Premises, at Roynat's option the proceeds of such sold or disposed of Mortgaged Premises shall be applied against those monies owing hereunder designated by Roynat at its discretion;

- (g) No Other Liens - shall not create, assume or suffer to exist any charge, lien, federal or provincial government priority claim arising pursuant to statute including any deemed trust, security interest or encumbrance upon any Mortgaged Premises other than Permitted Encumbrances; provided that no provision hereof shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other charge, lien, security interest or encumbrance, whether or not it is a Permitted Encumbrance;
- (h) To Hold Proceeds of Unauthorized Sale in Trust - in the event the Mortgaged Premises or any part thereof are sold or disposed of prior to the full discharge of this Debenture by Roynat, in any manner not authorized by this Debenture, shall hold all proceeds of such sale or disposition received by the Borrower as trustee for Roynat until the Borrower has been fully released from this Debenture by Roynat;
- (i) To Insure - shall keep insured the Mortgaged Premises with reputable insurers approved by Roynat in such amounts against loss or damage by fire and other causes or perils as Roynat may reasonably require and shall pay all premiums necessary for such purposes as the same shall become due. All policies of insurance issued in respect of the Mortgaged Premises and all proceeds thereof are hereby assigned to Roynat as security for the Borrower's obligations hereunder. Each policy of insurance shall show Roynat as loss payee, as its interest may appear, shall contain such mortgage clauses as Roynat may require, shall be in terms satisfactory to Roynat and, at the request of Roynat, shall be delivered to and held by Roynat subject to the rights of holders of Permitted Encumbrances;
- (j) To Furnish Proofs - shall forthwith on the happening of any loss or damage furnish at its expense all necessary proofs and do all necessary acts to enable Roynat to obtain payment of the insurance moneys subject to the rights of holders of Permitted Encumbrances;
- (k) Inspection by Roynat - shall allow any employees or third parties retained by Roynat at any reasonable time, upon reasonable prior notice to the Borrower, to enter the premises of the Borrower to inspect the Mortgaged Premises, including without limitation the right to undertake soil, ground water, environmental or other tests, measurements or surveys in, on or below the Mortgaged Premises, and to inspect the books and records of the Borrower and make extracts therefrom, and shall permit Roynat prompt access to such other persons as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Mortgaged Premises or the books and records of the Borrower, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Borrower shall pay all costs and expenses of third parties (including complete reimbursement for 100% of all legal fees and disbursements) retained by Roynat for purposes of inspection under this Section 1(k);
- (l) Deliver Financial Statements - shall deliver to Roynat within 120 days of the close of each financial year of the Borrower one copy of the annual financial statements for that year, including the balance sheet and statements of income, retained earnings and changes in financial position, prepared on a non-audit review basis by a firm of licensed public accountants satisfactory to Roynat, and within 45 days after the first half of each of the Borrower's financial years, one copy of the interim financial statements, all of which financial statements shall be signed by an authorized officer of the Borrower and prepared in accordance with generally accepted accounting principles; provided that Roynat may by written notice require audited financial statements, accompanied by the report of the Borrower's auditors, and after the giving of such notice all annual financial statements required hereby shall be audited. The Borrower shall at the same time deliver to Roynat copies of all management reports prepared by the accountants or auditors of the

- 9 -

Borrower together with any other statements stipulated in the Offer of Finance. The Borrower will also cause the guarantors to provide their financial statements as follows:

- (i) Unitec Inc. -- annual unconsolidated and consolidated review engagement within 120 days of fiscal year and semi-annually internally-prepared consolidated statements;
 - (ii) Entropex Logistics Inc. -- annual notice to reader within 120 days of fiscal year end;
 - (iii) 629728 Ontario Limited -- annual notice to reader within 120 days of fiscal year end; and
 - (iv) NxGen Holdings Inc. -- annual notice to reader within 120 days of fiscal year end;
- (m) Not to Create Charges - without the prior written consent of Roynat, shall not create or suffer to exist any charge or encumbrance over all or any portion of the Mortgaged Premises other than Permitted Encumbrances, and shall not permit any subsidiary to mortgage, charge or otherwise encumber any of its property or assets or issue any bonds, debentures, shares or other securities, except to the Borrower;
- (n) Not to Remove - prior to the removal of any of the Mortgaged Premises from the province in which it is situated at the date of this Debenture or to leasehold property, the Borrower shall effect such further registrations and obtain such other consents and give such other security, at the sole cost and expense of the Borrower, as may be required or desirable to protect or preserve the security hereby created, and the Borrower shall forthwith notify Roynat of the intended removal and the action proposed to be taken.
- (o) No Actions - has received no notice of and has no knowledge of any pending, potential or threatened litigation or claim for judicial or administrative action which would adversely affect the Mortgaged Premises or their use or market value;
- (p) Compliance with Environmental Laws -
- (i) shall conduct and maintain the Mortgaged Premises and its business operations, and shall cause any tenant of the Mortgaged Premises to maintain the Mortgaged Premises and its business operations, so as to comply in all respects with all applicable Environmental Laws, including obtaining all necessary licenses, permits, consents and approvals required to own or operate the Mortgaged Premises and the business carried out on, at or from the Mortgaged Premises;
 - (ii) except as specifically permitted by Roynat in writing, the Borrower shall not permit or suffer to exist, Contaminants or dangerous or potentially dangerous conditions in, on or below the Mortgaged Premises including, without limitation, any polychlorinated biphenyls, radio-active substances, underground storage tanks, asbestos or urea formaldehyde foam insulation;
 - (iii) except as specifically disclosed to Roynat prior to the date of this Debenture with respect to pellet runoff at the Mortgaged Premises in the summer of 2013, has no knowledge of the existence of Contaminants or dangerous or potentially dangerous conditions at, on or under the Mortgaged Premises or any properties in the vicinity of the Mortgaged Premises which could affect the Mortgaged Premises or the market value thereof or in levels that exceed the standards in Environmental Laws;
 - (iv) except as specifically disclosed to Roynat prior to the date of this Debenture with respect to pellet runoff at the Mortgaged Premises in the summer of 2013, has no knowledge of the Mortgaged Premises, or any portion thereof, having been used for the disposal of waste;

- 10 -

- (v) except as specifically disclosed to Roynat prior to the date of this Debenture with respect to pellet runoff at the Mortgaged Premises in the summer of 2013, has not given or received, nor does it have an obligation to give, any notice, claim, communication or information regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Mortgaged Premises or any property in the vicinity of the Mortgaged Premises, including any notice pursuant to any Environmental Laws or any environmental report or audit. The Borrower shall notify Roynat promptly and in reasonable detail upon receipt of any such claim, notice, communication or information or if the Borrower becomes aware of any violation or potential violation of the Borrower or any tenant of the Mortgaged Premises, of any Environmental Laws and shall describe therein the action which the Borrower intends to take with respect to such matter;
- (vi) shall at the Borrower's expense establish and maintain a system to assure and monitor continued compliance with, and to prevent the contravention of, Environmental Laws, which system shall include periodic reviews of such compliance system;
- (vii) shall provide annual confirmation to Roynat that the Borrower is in compliance with all applicable Environmental Laws and that there is no default under this Section 1(p). The Borrower shall provide Roynat with its annual environmental questionnaire duly completed;
- (viii) shall promptly advise Roynat in writing of any material adverse change in the environmental or other legal requirements affecting the Borrower or the Mortgaged Premises upon the Borrower becoming aware of any such change, and the Borrower shall provide Roynat with a copy of any of the orders, by-laws, agreements or other documents pursuant to which any such change is effected or documented;
- (ix) shall at the Borrower's expense promptly take or cause to be taken any and all necessary remedial or clean-up action in response to the presence, storage, use, disposal, transportation, release or discharge of any Contaminant in, on, under or about any of the Mortgaged Premises, or used by the Borrower or any tenant of the Mortgaged Premises, in compliance with all material laws including, without limitation, Environmental Laws, and in accordance with the orders and directions of all applicable federal, state, provincial, municipal and local governmental authorities;
- (x) shall deliver to Roynat a true and complete copy of all environmental audits, evaluations, assessments, studies or tests relating to the Mortgaged Premises or the Borrower now in its possession or control or forthwith after the completion thereof, or upon such materials coming into the Borrower's possession or control;
- (xi) shall at the Borrower's expense, if reasonably requested by Roynat in writing, retain an environmental consultant acceptable to Roynat, acting reasonably, to undertake environmental tests and to prepare a report or audit with respect to the Mortgaged Premises and deliver same to Roynat for its review; and
- (xii) shall indemnify and save harmless Roynat, its officers, directors, employees, agents and shareholders from and against all losses, liabilities, damages or costs suffered arising from or relating to any breach of the foregoing covenants of this Section 1(p), any breach by the Borrower, any tenant or any other person now or hereafter having an interest in the Mortgaged Premises which is asserted or claimed against Roynat in connection with environmental matters referred to in this Section 1(p); the presence, in any form, of any Contaminant on or under the Mortgaged Premises, or the discharge, release, spill or disposal of any contaminant by the Borrower, which is asserted or claimed against any of these indemnified persons and including, without limitation, complete reimbursement for 100% of all legal fees and disbursements and the cost or expense of any environmental

- 11 -

investigation, the preparation of any environmental or similar report, and the costs of any remediation. This indemnity shall survive the payment in full of all amounts secured hereunder and the discharge of this Debenture. Roynat shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to this Debenture.

2. **Waiver of Covenants.** Roynat may waive in writing any breach by the Borrower of any of the provisions contained in this Debenture or any default by the Borrower in the observance or performance of any covenant or condition required to be observed or performed by the Borrower hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
3. **Performance of Covenants by Roynat.** If the Borrower shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Mortgaged Premises or any part thereof shall become subject to any charge ranking in priority to the lien hereof, Roynat may in its absolute discretion make such payment and/or pay or discharge such charge, but shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the Loan Rate, shall be payable by the Borrower on demand and shall constitute a charge upon the Mortgaged Premises. No such performance or payment shall relieve the Borrower from any default hereunder or any consequences of such default.
4. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Borrower, or if Roynat in good faith believes that the ability of the Borrower to pay any of its obligations to Roynat or to perform any other covenant contained herein has become impaired or if an event of default has occurred, Roynat may by written notice to the Borrower, appoint a monitor (the "Monitor") to investigate any or a particular aspect of the Borrower or its business and affairs for the purpose of reporting to Roynat. The Borrower shall give the Monitor its full cooperation, including full access to facilities, assets and records of the Borrower and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Borrower nor shall it participate in the management of the Borrower's affairs and shall incur no liability in respect thereof or otherwise in connection with the Borrower, its business and affairs or the Mortgaged Premises. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Borrower as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement for 100% of all legal fees and disbursements) shall be paid by the Borrower upon submission to it of a written invoice therefor. Roynat may at its option upon the occurrence of an event of default appoint or seek to have appointed the Monitor as Receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Borrower or the Mortgaged Premises or any part thereof.
5. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat pursuant to Sections 1(i) and/or 1(j) above may at the option of Roynat be applied to rebuilding or repairing the Mortgaged Premises, or be paid to the Borrower, or any such moneys or any insurance moneys received by Roynat upon the death of any person whose life is insured under any policy of insurance assigned to Roynat as security for the obligations of the Borrower hereunder may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the principal amount hereby secured or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable hereunder in inverse order of their maturity dates.
6. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Borrower to perform its obligations hereunder or to pay the moneys hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest at the Loan Rate in effect from time to time hereunder, and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any

- 11 -

investigation, the preparation of any environmental or similar report, and the costs of any remediation. This indemnity shall survive the payment in full of all amounts secured hereunder and the discharge of this Debenture. Roynat shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to this Debenture.

2. **Waiver of Covenants.** Roynat may waive in writing any breach by the Borrower of any of the provisions contained in this Debenture or any default by the Borrower in the observance or performance of any covenant or condition required to be observed or performed by the Borrower hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
3. **Performance of Covenants by Roynat.** If the Borrower shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Mortgaged Premises or any part thereof shall become subject to any charge ranking in priority to the lien hereof, Roynat may in its absolute discretion make such payment and/or pay or discharge such charge, but shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the Loan Rate, shall be payable by the Borrower on demand and shall constitute a charge upon the Mortgaged Premises. No such performance or payment shall relieve the Borrower from any default hereunder or any consequences of such default.
4. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Borrower, or if Roynat in good faith believes that the ability of the Borrower to pay any of its obligations to Roynat or to perform any other covenant contained herein has become impaired or if an event of default has occurred, Roynat may by written notice to the Borrower, appoint a monitor (the "Monitor") to investigate any or a particular aspect of the Borrower or its business and affairs for the purpose of reporting to Roynat. The Borrower shall give the Monitor its full cooperation, including full access to facilities, assets and records of the Borrower and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Borrower nor shall it participate in the management of the Borrower's affairs and shall incur no liability in respect thereof or otherwise in connection with the Borrower, its business and affairs or the Mortgaged Premises. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Borrower as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement for 100% of all legal fees and disbursements) shall be paid by the Borrower upon submission to it of a written invoice therefor. Roynat may at its option upon the occurrence of an event of default appoint or seek to have appointed the Monitor as Receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Borrower or the Mortgaged Premises or any part thereof.
5. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat pursuant to Sections 1(f) and/or 1(g) above may at the option of Roynat be applied to rebuilding or repairing the Mortgaged Premises, or be paid to the Borrower, or any such moneys or any insurance moneys received by Roynat upon the death of any person whose life is insured under any policy of insurance assigned to Roynat as security for the obligations of the Borrower hereunder may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the principal amount hereby secured or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable hereunder in inverse order of their maturity dates.
6. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Borrower to perform its obligations hereunder or to pay the moneys hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest at the Loan Rate in effect from time to time hereunder, and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any

- 12 -

representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Borrower to Roynat or under any Offer of Finance.

7. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the moneys secured hereby, shall not release or affect the charges created hereby.
8. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Mortgaged Premises on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security constituted hereby nor shall it alter the obligations of the Borrower hereunder.
9. **Events of Default.** The whole of the principal balance remaining unpaid together with interest and all other moneys secured by this Debenture shall, at the option of Roynat, become immediately due and payable and the security hereby created shall become enforceable in each of the following events (each event being herein called an "event of default"):
 - (a) if the Borrower defaults in payment of the principal of or interest on this Debenture or on any other indebtedness of the Borrower to Roynat when the same becomes due;
 - (b) if the Borrower ceases or threatens to cease to carry on its business or defaults in the performance or observance of any of the covenants contained in Section 9(b) of the Debenture or in Sections 1(f), (g), (k), (m) or (n) of this Schedule or Section 4 of this Schedule;
 - (c) if the Borrower defaults in the performance or observance of any condition or covenant contained in this Debenture, other than as referred to elsewhere in this Section 9, in any other security previously, now or hereafter granted to Roynat by the Borrower or in any other instrument or agreement (including any offer of finance) which the Borrower and Roynat are now or hereafter parties to (whether alone or with others) or issued by either the Borrower or Roynat to the other, and such default continues for ten (10) days after receipt of written notice thereof by the Borrower from Roynat. For the purposes of this Section 9(c) and Section 9(j) hereof, "Roynat" shall include any affiliate which includes "Roynat" in its name including Roynat Capital Inc., Roynat Business Inc. and Roynat Business Capital Inc.;
 - (d) if there is any material misrepresentation or misstatement contained in any certificate or document delivered by the Borrower or an officer or director of the Borrower in connection with any financing provided by Roynat including the financing provided for in this Debenture;
 - (e) if the Borrower institutes any proceeding or takes any corporate action or executes any agreement or notice of intention to authorize its participation in or commencement of any proceeding (i) seeking to adjudicate it a bankrupt or insolvent, or (ii) seeking liquidation, dissolution, winding up, restructuring, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any application under the *Companies' Creditors Arrangement Act* or any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation or organization);
 - (f) the Borrower becomes bankrupt or insolvent or commits an act of bankruptcy, or any proceeding is commenced against or affecting the Borrower:
 - (i) seeking to adjudicate it a bankrupt or insolvent;

11603685.2

- 13 -

- (ii) seeking liquidation, dissolution, winding up, restructuring, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation or organization); or
 - (iii) seeking appointment of a receiver, receiver and manager, liquidator, trustee, agent, custodian or other similar official for it or for any part of its properties and assets, including the Mortgaged Premises or any part thereof;
 - (g) any order or judgment is issued by a court granting any of the relief referred to in Section 9(f) hereof;
 - (h) if an encumbrancer or secured creditor shall appoint a receiver or agent or other similar official, or commence power of sale proceedings, over any part of the Mortgaged Premises, or take possession of any part of the Mortgaged Premises or if any execution, distress or other process of any court becomes enforceable against any of the property of the Borrower, or a distress or like process is levied upon any of such property;
 - (i) if the Borrower takes any corporate proceedings for its dissolution, liquidation or amalgamation with another Borrower or if the corporate existence of the Borrower shall be terminated by expiration, forfeiture or otherwise;
 - (j) if any guarantor of the obligations of the Borrower to Roynat defaults in the performance of any condition or covenant in favour of Roynat or if any party to an instrument or agreement supplemental or collateral to this Debenture or the financing provided for herein defaults thereunder, and such default continues for ten (10) days after receipt of written notice thereof by the Borrower from Roynat;
 - (k) if Roynat, in good faith and upon commercially reasonable grounds, believes that the prospect of payment or performance of any of the obligations is or is about to be impaired or that the Mortgaged Premises or any part thereof is or is about to be placed in jeopardy;
 - (l) if Voting Control of the Borrower shall change without the prior written consent of Roynat;
 - (m) if a default or acceleration occurs under any agreement, promissory note, debt obligation, guarantee or otherwise now or hereafter granted by the Borrower to any bank or other financial institution or to any other lender of funded indebtedness and such is not cured or remedied within any applicable cure period; or
 - (n) if the Borrower or any guarantor of the obligations of the Borrower pursuant hereto defaults in the payment of the principal of or interest on any other indebtedness (including, without limitation, the forgivable loan provided by the Ministry of Research and Innovation) when the same becomes due or the Borrower or any such guarantor or any subsidiary company defaults in the performance or observance of any condition or covenant contained in any agreement with respect to any such other indebtedness and such is not cured or remedied within any applicable cure period.
10. **Enforcement.** Upon the happening of any event of default, Roynat may exercise any rights, powers or remedies available to Roynat at law or in equity or under applicable legislation and, in addition, shall have the following rights, powers and remedies:
- (a) to enter upon and take possession of all or any part of the Mortgaged Premises;

11603985.2

- 14 -

- (b) to hold, use, repair, preserve and maintain all or any part of the Mortgaged Premises and make such replacements thereof and additions thereto as Roynat shall deem advisable;
- (c) to exercise all powers necessary to the performance of all functions provided for herein including without limitation the powers to purchase on credit, to borrow money in the Borrower's name or in its own name and to advance its own money to the Borrower at such rates of interest as it may deem reasonable;
- (d) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon all or any part of the Mortgaged Premises whether by public auction or by private sale or lease in such manner as Roynat in its absolute discretion may determine, provided that it shall not be incumbent on Roynat to sell, lease or dispose of the said property but that it shall be lawful for Roynat peaceably to use and possess the same without hindrance or interruption by the Borrower, or any other person or persons whomsoever, and to receive income from such property and to convey, transfer and assign to a purchaser or purchasers the title to any undertaking, property and assets so sold and provided further that in the case of a sale on credit Roynat shall only be liable to account to the Borrower, any subsequent encumbrancers and others for moneys actually received by Roynat;
- (e) to appoint by instrument in writing any person or persons to be a Receiver of all or any portion of the undertaking, property and assets hereby charged, to fix the Receiver's remuneration and to remove any Receiver so appointed and appoint another or others in his stead;
- (f) to apply to any court of competent jurisdiction for the appointment of a Receiver of all or any portion of the undertaking, property and assets hereby charged; and
- (g) to retain the Mortgaged Premises in satisfaction of the monies owing hereunder.

11. Powers of Receiver.

- (a) Any Receiver shall have all of the powers of Roynat set out in Section 10 of this Schedule and, in addition, shall have the following powers:
 - (i) to carry on the business of the Borrower and to enter into any compromise or arrangement on behalf of the Borrower; and
 - (ii) with the prior written consent of Roynat to borrow money in his name or in the Borrower's name, for the purpose of carrying on the business of the Borrower and for the preservation and realization of the undertaking, property and assets of the Borrower including, without limitation, the right to pay persons having prior charges or encumbrances on properties on which the Borrower may hold charges or encumbrances, with any amount so borrowed and any interest thereon to be a charge upon the Mortgaged Premises in priority to this Debenture;
- (b) Any Receiver appointed pursuant to the provisions hereof shall be deemed to be an agent of the Borrower for the purposes of:
 - (i) carrying on and managing the business and affairs of the Borrower, and
 - (ii) establishing liability for all of the acts or omissions of the Receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Borrower irrevocably authorizes Roynat to give instructions to the Receiver relating to the performance of its duties as set out herein.

- 15 -

12. Application of Moneys. All moneys actually received by Roynat or by the Receiver pursuant to Sections 10 and 11 of this Schedule shall be applied:
- (a) first, in payment of claims, if any, of secured creditors of the Borrower, including any claim of the Receiver pursuant to Section 11(a), ranking in priority to the charges created by this Debenture as directed by Roynat or the Receiver;
 - (b) second, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver (including complete reimbursement for 100% of all legal fees and disbursements) and the exercise by the Receiver or Roynat of all or any of the powers granted to them under this Debenture, including the reasonable remuneration of the Receiver or any agent or employee of the Receiver or any agent of Roynat and all outgoings properly paid by the Receiver or Roynat in exercising their powers as aforesaid;
 - (c) third, in or towards the payment to Roynat of all moneys due to it by the Borrower in such order as Roynat in its sole discretion may determine;
 - (d) fourth, in or towards the payment of the obligation of the Borrower to persons, if any, with charges or security interests against the Mortgaged Premises ranking subsequent to those in favour of Roynat; and
 - (e) fifth, subject to applicable law, any surplus shall be paid to the Borrower.
13. Restriction on Borrower and its Officers and Directors. Upon the Borrower receiving notice from Roynat of the taking of possession of the Mortgaged Premises or the appointment of a Receiver, all the powers, functions, rights and privileges of each of the directors and officers of the Borrower with respect to the properties, business and undertaking of the Borrower shall cease unless specifically continued by the written consent of Roynat.
14. Discharge and Satisfaction. Upon payment by the Borrower to Roynat of all moneys hereby secured, these presents shall cease and become null and void and the Mortgaged Premises shall revert in the Borrower without any acknowledgement or formality, but Roynat shall upon the request and at the expense of the Borrower, execute and deliver to the Borrower a full release and discharge.
15. No Obligation to Advance. Neither the issue and delivery of this Debenture nor the advance of any funds hereunder shall obligate Roynat to advance any further funds hereunder or otherwise make credit available to the Borrower, nor will Roynat have any liability for any failure or delay on its part to exercise any rights hereunder.
16. Limited Power of Attorney. The Borrower appoints, effective as of and from the date of a default hereunder that has not been cured within any applicable cure period (if any), and only for such period of time as any such default shall be continuing, Roynat as the Borrower's attorney, with full power of substitution, in the name and on behalf of the Borrower, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Borrower has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by Roynat or any Receiver to give effect to this Debenture or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any Receiver, and generally to use the name of the Borrower in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any Receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Borrower or for any other reason.
17. Amalgamation. The Borrower acknowledges that if it amalgamates with any other corporation or corporations (a) the Mortgaged Premises and the lien created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any

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- 16 -

property or assets of the amalgamated corporation thereafter owned or acquired, and (b) the term "Borrower", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 17 shall be interpreted as permitting the Borrower to amalgamate in violation of any covenant of the Borrower contained herein or in any other agreement binding the Borrower.

18. **Assignment.** This Debenture may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Borrower may not assign this Debenture or any of its rights or obligations hereunder. This Debenture shall enture to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Debenture and the security interest or any part thereof to enforce any rights hereunder, the Borrower shall not assert against the assignee any claims or defence which the Borrower now has or hereafter may have against Roynat.
19. **Judgment Currency.** To the extent permitted by applicable law, the obligations of the Borrower in respect of any amount due under this Debenture shall, notwithstanding any payment in any other currency (the "Other Currency") (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the currency in which it is due (the "Agreed Currency") that Roynat may, in accordance with normal banking procedures, purchase with the sum paid in the Other Currency (after any premium and costs of exchange) on the Business Day immediately after the day on which Roynat receives the payment. If the amount in the Agreed Currency that may be so purchased for any reason falls short of the amount originally due, the Borrower shall pay all additional amounts, in the Agreed Currency, as may be necessary to compensate for the shortfall. Any obligation of the Borrower not discharged by that payment shall, to the extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided in this Section, continue in full force and effect.
20. **Taxes and Reserve.** In case Roynat is or becomes subject to any tax with respect to payments of principal, interest or other amounts by the Borrower hereunder (except for taxes on the overall net income of Roynat) or to any reserve or similar requirement against assets held by, or deposits in or for the account of, or loans by, an office of Roynat, or to any other condition with respect to this Debenture (an "Obligation"), and the result of any of the foregoing is to increase the cost to Roynat of making or maintaining the loan provided for herein or to reduce the income receivable by Roynat in respect of the loan provided for herein, then the Borrower shall pay to Roynat on demand that amount which shall compensate Roynat for such additional cost or reduction in income. In addition, the Borrower shall indemnify, defend and hold Roynat harmless from and against the payment or incurring of an Obligation. The Borrower shall pay any amounts owing pursuant to the preceding sentence upon demand. A certificate of Roynat setting forth the amount of such additional compensation or indemnity amount and the basis therefore shall be submitted by Roynat to the Borrower and shall be conclusive evidence, in the absence of manifest error, of such amount.
21. **Interpretation.** As used herein the following expressions shall have the following meanings:
- (a) "Applicable Period", with respect to any Interest Period, means the period commencing on the 8th day of the month in which such Interest Period commences and ending on the 7th day of the following month, except that if the rate of interest hereunder is being determined:
- (i) for the purpose of redemption by the Borrower, the Applicable Period shall end on the 7th day preceding the redemption date; or
- (ii) for any other purpose, other than the payment of interest on the day following an Interest Period, the Applicable Period shall end on the day preceding the day on which the rate is being determined and the following Applicable Period shall commence on such day.
- (b) "Business Day" means any day except Saturday, Sunday or a statutory holiday.

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- 17 -

- (c) "Contaminant" means any solid, liquid, gas, odour, heat, sound, smoke, waste, vibration, radiation or combination of any of them resulting directly or indirectly from human activities that may cause: (i) impairment of the quality of the natural environment for any use that can be made of it, (ii) injury or damage to property or to plant or animal life, (iii) harm or material discomfort to any person, (iv) an adverse affect on the health of any person, (v) impairment of the safety of any person, (vi) rendering any property or plant or animal life unfit for use by man, (vii) loss of enjoyment of normal use of property, or (viii) interference with the normal conduct of business, and includes any pollutant or contaminant as defined in any applicable Environmental Laws and any biological, chemical or physical agent which is regulated, prohibited, restricted or controlled.
- (d) "Environmental Laws" means the common law and all applicable federal, provincial, local, municipal, governmental or quasi-governmental laws, rules, regulations, licences, orders, permits, decisions or requirements concerning Contaminants, occupational or public health and safety or the environment and any other order, injunction, judgment, declaration, notice or demand issued thereunder;
- (e) "Interest Period" means each monthly period commencing on the 15th day of a month and ending on the 14th day of the following month.
- (f) "Inventory" means property of the Borrower held for sale including products purchased for resale, finished goods, work in process and raw materials but not including any property not intended to be directly incorporated in finished goods or products to be sold.
- (g) "Loan Rate" means the rate of interest specified in Section 3 of the Debenture.
- (h) "Permitted Encumbrances" means any of the following:
- (i) liens for taxes, assessments, governmental charges or levies not at the time due;
 - (ii) easements, rights of way or other similar rights in land existing at the date of this Debenture which in the aggregate do not materially impair the usefulness in the business of the Borrower of the property subject thereto;
 - (iii) rights reserved to or vested in any municipality or governmental or other public authority by the terms of any lease, licence, franchise, grant or permit, or by any statutory provision, to terminate the same or to require annual or other periodic payments as a condition to the continuance thereof;
 - (iv) any lien or encumbrance the validity of which is being contested by the Borrower in good faith and in respect of which either there shall have been deposited with Roynat cash in an amount sufficient to satisfy the same or Roynat shall be otherwise satisfied that its interests are not prejudiced thereby;
 - (v) any reservations, limitations, provisos and conditions expressed in any original grant from the Crown;
 - (vi) title defects or irregularities which, in the opinion of counsel to Roynat, are of a minor nature and in the aggregate shall not materially impair the usefulness in the business of the Borrower of the property subject thereto;
 - (vii) validly perfected security given by the Borrower to its banker (but not to more than one banker or banking syndicate) on its Inventory or under assignments of its trade receivables;

- 18 -

- (viii) a second ranking charge given by the Borrower to its operating lender on the Mortgaged Premises (such charge to rank behind the charge over the Mortgaged Premises granted by the Borrower pursuant to this Debenture);
- (ix) validly perfected security given by the Borrower to Her Majesty the Queen in Right of the Province of Ontario, as represented by the Minister of Research and Innovation over the equipment listed in Schedule "C"; and
- (x) purchase money security interests consisting of any validly perfected charge, lien, security interest or other encumbrance, created, assumed or arising by operation of law after the date hereof, to provide or secure the whole or any part of the consideration for the acquisition of tangible personal property other than Inventory, where
 - (A) the principal amount secured thereby does not exceed the cost to the Borrower of such property,
 - (B) the Borrower's obligation to repay is secured only by the property so acquired by the Borrower,
 - (C) the property is not being acquired as a replacement or substitution for property and assets which are specifically charged hereby, and
 - (D) such security includes the renewal or refinancing of any such purchase money security interest on the same property provided that the indebtedness secured and the security therefor is not increased and remains validly perfected.
- (i) "Receiver" shall include one or more of a receiver, receiver-manager or receiver and manager of all or a portion of the undertaking, property and assets of the Borrower appointed by Roynat pursuant to this Debenture or by a court of competent jurisdiction.
- (j) "Roynat" means Roynat Inc., its successors and assigns and, where applicable, includes those for whom it acts as nominee or agent.
- (k) "Roynat's U.S. Floating Base Rate for the Applicable Period" means, with respect to any Applicable Period, the arithmetic average (rounded to three decimal places) of the annual rate of interest which is the rate determined as being the 1 month U.S. dollar LIBOR rate displayed and identified as such on the Telerate Screen (Page 3750), as published by the British Bankers Association as of 11:00 a.m. (London time) on each Business Day during such Applicable Period, plus .50%; provided, however, if such rate does not appear on the Telerate Screen (Page 3750) as contemplated on any Business Day during such Applicable Period, then the rate on such Business Day shall be the Prime Lending Rate of The Bank of Nova Scotia for U.S. dollar loans as at approximately 10:00 a.m. (Toronto, Ontario time) on such Business Day."
- (l) "Voting Control" means the ownership of a sufficient number of outstanding shares of a corporation to elect a majority of its directors; and "Voting Control of the Borrower" means the Voting Control of the Borrower stated in the Offer of Finance or such different Voting Control as shall have been effected with the prior written consent of Roynat.
- (m) "Working Capital" of a Borrower means the excess of its current assets over its current liabilities calculated in accordance with generally accepted accounting principles with any dissent as to the calculation thereof being conclusively resolved by Roynat; and "Consolidated Working Capital" means the Working Capital of the Borrower and all its subsidiaries calculated on a consolidated basis.

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SCHEDULE "B"

1271 Lougar Avenue, Sarnia, Ontario and described legally as Part of Lots 25-27 on Plan 616; Part of Lot 24, 28 on Plan 616 as in L802109 & Part 1 on 25R-8552, Cit of Sarnia, County of Lambton - PIN No.: 43280-0070 (LT) (LRO#25)

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SCHEDULE "C"

Detailed Description of Equipment	Serial Number or Vendor
West Salem De-baler	12110
TiTech Optical Sort Equipment	05022938, 05022947
CEG Oil Compressors	All4732253
Hamos Electrostatic Separation	EKS-1031-0
Harris Baler	04998286
Electrical Drops	3 phase electrical
Conveyors	Baler In-Feed Conveyor
Pelletier Wire Remover	08-089
3 Phase 500k Electrical Transformer	TBD
TiTech Optical Sort Lines	TBD



Court File No. 35-1979333T

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

THE HONOURABLE)

THURSDAY, THE 14

JUSTICE GRACE)

DAY OF JULY, 2016

THE BANK OF NOVA SCOTIA

Plaintiff

- and -

ENTROPEX, 629728 ONTARIO LIMITED, and UNITEC INC.

Defendants

ORDER

(appointing Receiver)

THIS MOTION made by the ^{Moving party - 21} Plaintiff for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") ~~and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA")~~ appointing MNP Ltd. ("MNP") as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Entropex, 629728 Ontario Limited ("629") and Unitec Inc. ("Unitec") (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 80 Dundas Street, London, Ontario.

ON READING the affidavit of Paul Waters sworn July 11, 2016 and the Exhibits thereto, the affidavit of service of Kelly Bryant sworn July 12, 2016, the consent of MNP to act as the Receiver and on hearing submissions of counsel for the ^{Moving party - 21} Plaintiff, ~~and 21~~

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

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

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

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

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the

foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days^{1, 2} notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

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

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the ~~Commercial List~~ ^{of} of the Ontario Superior Court of Justice. (in Bankruptcy and Insolvency Act)

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and

is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA ^{and to any purchase money security interest entitled to priority over the moving party under the Personal Property Security Act.}

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

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

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

SERVICE AND NOTICE

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

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any

other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

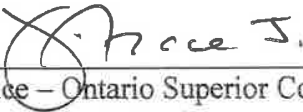
29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

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

31. THIS COURT ORDERS that ^{moving party} the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of ^{moving party} the Plaintiff's security or, if not so provided by the Plaintiff's security, then ^{moving party} on a substantial indemnity basis to be paid by

the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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



Justice – Ontario Superior Court of Justice
– In Bankruptcy and Insolvency

Grace J.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of the assets, undertakings and properties Entropex, 629728 Ontario Limited and Unitec Inc. (collectively, the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

of

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

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

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

DATED the _____ day of _____, 20__.

MNP Ltd., solely in its capacity
as Receiver of Entropex, 629728 Ontario
Limited and Unitec Inc., and not in its personal
capacity or corporate capacity.

Per: _____

Name:

Title:



THE BANK OF NOVA SCOTIA

v.

ENTROPEX ET AL

Plaintiff

Defendants

Court File No. 35-1979333T

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

Proceeding commenced at London

ORDER

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Solicitors for the Plaintiff
165075/kbu

Court File No. 35-1979333T

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

BETWEEN:

THE BANK OF NOVA SCOTIA

Plaintiff

and

ENTROPEX, 629728 ONTARIO LIMITED and UNITEC INC.

Defendants

**FIRST REPORT TO THE COURT SUBMITTED BY MNP LTD.,
IN ITS CAPACITY AS RECEIVER OF
ENTROPEX, 629728 ONTARIO LIMITED and UNITEC INC.**

August 5, 2016

Table of Contents

	<u>Page</u>
1.0 Introduction and Purpose of Report	1
1.1 Introduction	1
1.2 Purpose of the Receiver’s First Report	3
2.0 Initial Receiver Activities	4
2.1 Possession	4
2.2 Operations	4
2.3 Environmental	4
2.4 Existing Environmental Protocols	5
2.5 Lougar Property Clean Up	5
2.6 Alternate Environmental Protocols	6
2.7 Ube Warehouse	6
2.8 Accounts Receivable	6
2.9 Inventory Liquidation	7
2.10 Employees	7
2.11 Insurance	7
2.12 Third Party Assets	7
2.13 Cash and Banking	7
2.14 Potential Sale Negotiation	8
2.15 Notice	8
2.16 Independent Counsel	8
3.0 Marketing and Sale of Assets	10
4.0 Order Sought	11

Listing of Appendices

- Appendix A - Initial Order
- Appendix B - Receiver's Section 245 Notice
- Appendix C - Invitation for Proposals and Confidentiality Agreement

1.0 Introduction and Purpose of Report

1.1 Introduction

1.1.1 Entropex is a general partnership carrying on business as a plastics recycler from the land known municipally as 1271 Lougar Avenue, Sarnia, Ontario (the “**Lougar Property**”).

1.1.2 629728 Ontario Limited (“**629**”) and Unitec Inc. (“**Unitec**”) are corporations incorporated pursuant to the laws of the Province of Ontario and are the partners of Entropex.

1.1.3 Entropex, 629 and Unitec (collectively referred to as the “**Companies**”) are registered as the joint title holders to the Lougar Property.

1.1.4 Entropex is indebted to the Bank of Nova Scotia (“**BNS**”) for approximately \$3,500,000 CDN. Entropex is indebted to Roynat Inc. (“**Roynat**”) for approximately \$3,260,000 million USD. The debts owing by Entropex to BNS and Roynat are guaranteed by 629 and Unitec.

1.1.5 The debt owing to BNS is secured by the following:

- A collateral charge registered against the Lougar Property in the principal amount of \$5,000,000 CDN;
- General security agreements dated May 13, 2014 from Entropex, 629 and Unitec; and,
- Guarantees and general security agreements from various parties related to the Companies, including Nxgen Holdings Inc., Entropex Logistics Inc. and Entropex Rigidreclaim Inc. (collectively referred to as the “**Guarantors**”).

1.1.6 The debt owing to Roynat is secured by the following:

- A debenture, granting a security interest in all real and personal property, registered against the Lougar Property in the principal amount of \$3,863,000 USD; and,
- Guarantees dated July 31, 2014 from 629 and Unitec.

In addition, Roynat has received guarantees of its indebtedness from Nxgen Holdings Inc., Entropex Logistics Inc. and Entropex Rigidreclaim Inc.

1.1.7 According to a PPSA search, the Companies’ secured creditors include the following:

Entropex

- Roynat has registered its debenture against twelve forklifts as well as against all equipment, inventory, receivables and accounts due for rent (also registered against Unitec and 629);
- BNS has registered a general security agreement;
- Unitec has registered a general security agreement;

- Delage Landen Financial Services Inc. has registered a charge against two forklifts (also registered against Unitec);
- Xerox has registered a charged against equipment with no description; and,
- Ryder Truck Rental Canada Ltd. has registered a charge against a vehicle.

Unitec (excluding registrations against both Unitec and Entropex listed above)

- Roynat has registered its debenture;
- BNS has registered a general security agreement;
- Kevin, Timothy, Keith and Christopher Bechard, as well as Carolyn Hannon, Patricia Pequegnat and Joan Hett have registered a general security agreement;
- Deragon Leasing Inc. has registered a charge against one vehicle; and,
- National Leasing Inc. has registered a charge against lighting as described in a lease agreement.

629 (excluding registrations against both 629 and Entropex listed above)

- Roynat has registered a general security agreement; and
- BNS has registered a general security agreement.

- 1.1.8** On March 18, 2016, due to various events of default under the terms of the financing agreement, BNS issued demand for payment and notice of intention to enforce security to the Companies and the Guarantors.
- 1.1.9** On April 8, 2016, BNS, the Companies and the Guarantors entered into a forbearance agreement, wherein, among other terms, BNS provided a period of forbearance to July 8, 2016 to permit Entropex to complete the sale of its business and/or refinance.
- 1.1.10** On March 23, 2016, Roynat issued a demand for payment and a notice of intention to enforce security to Entropex. Entropex and Roynat also entered into a forbearance agreement dated April 8, 2016 (the "**Forbearance Agreement**"), which expired on July 8, 2016.
- 1.1.11** The Companies were unable to finalize a sale or refinance by the end of the forbearance period. On July 7, 2016, counsel for BNS and Roynat advised Entropex, 629 and Unitec that neither lender would extend the forbearance agreements or ongoing credit.
- 1.1.12** During the week of July 10, 2016, due to the lack of ongoing credit and inability to pay suppliers, Entropex initiated a wind down of its operations.
- 1.1.13** On July 14, 2016, the Honourable Justice Grace of the Ontario Superior Court of Justice, issued an Order appointing MNP Ltd. as receiver (the "**Receiver**") of the Companies (the "**Initial Order**"). A copy of the Initial Order is attached as **Appendix A**. The Initial Order is substantially in the form of the Model Receivership Order.

1.1.14 The Initial Order authorized, but did not obligate, the Receiver, among other things, to do the following where the Receiver considers it necessary or desirable:

- Take possession of and exercise control over the property of the Companies;
- Manage, operate and carry on the business of the Companies;
- Initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Companies, the Property or the Receiver, and to settle or compromise any such proceedings; and,
- Market any or all of the property of the Companies and negotiate such terms and conditions of sale as the Receiver may deem appropriate.

1.2 Purpose of the Receiver's First Report

1.2.1 This constitutes the Receiver's First Report to the Court (the "**First Report**") in this matter and is filed to:

- Seek approval of the First Report and the Supplement to the First Report, and the Receiver's activities as outlined therein;
- Seek approval of the proposed changes to the environmental Protocols as outlined therein; and,
- Report to the Court in respect of the realization strategy and process being undertaken by the Receiver and obtain approval of same.

2.0

Initial Receiver Activities

2.1 Possession

- 2.1.1 Upon its appointment the Receiver attended the Lougar Property to serve the principal, Keith Bechard, with a copy of the Initial Order and take possession.
- 2.1.2 The Receiver changed the locks and photographed the Lougar Property and all assets located therein.
- 2.1.3 The Receiver temporarily engaged a security company to conduct period site visits of the Lougar Property.
- 2.1.4 The Receiver conducted a count of Entropex's inventory and prepared lists of the equipment and vehicles.
- 2.1.5 Entropex leased offsite office space where the accounting team worked, and the books and records were stored. The Receiver relocated these books and records to the Lougar Property. The Receiver did not occupy or take possession of the offsite office space.

2.2 Operations

- 2.2.1 Upon the expiry of the Forbearance Agreement on July 8, 2016, BNS and Roynat advised Entropex there would be no more credit under the existing facilities. As such, management of Entropex stopped purchasing new material and began to wind down operations during the week preceding the receivership.
- 2.2.2 Entropex was operating in a cash deficit. Based on an internally prepared forecast, Entropex was expected to lose an average of \$74,600 per week through July and August.
- 2.2.3 The Entropex workforce was unionized and the Receiver faced potential exposure for successor employer liability if operations were carried on by the Receiver.
- 2.2.4 In 2013, after a heavy rain, plastic pellets were washed off the Lougar Property into the municipal drain and sewer system. Entropex spent approximately \$1.4 million to clean the spill. The MOE issued an order requiring Entropex to develop a plan to improve the storm water management and drainage capabilities of the Lougar Property. A plan was submitted and approved by the MOE; however, the enhancements to the Lougar Property have not yet begun. Entropex put in temporary measures to prevent another leak, discussed in more detail below. However, the risk of another environmental spill remains. The Receiver felt this risk would be higher if operations were continued.
- 2.2.5 For these reasons set out above the Receiver did not continue the operations of Entropex. Operations were shut down immediately upon the appointment of the Receiver.

2.3 Environmental

- 2.3.1 Although the operations of Entropex were wound down, the Lougar Property is contaminated with small plastic pellets (Entropex's finished product) from pre-receivership operations and there continues to be risk that these pellets could be washed into the municipal sewer and drainage system in the event of a heavy rain.

2.4 Existing Environmental Protocols

2.4.1 Following the 2013 spill, Entropex initiated environmental protocols (“the **Protocols**”) to mitigate this risk, including:

- Screens were placed in drains to filter plastic pellets from water that flowed through before it was released to the municipal drainage system;
- In the event of rain a team of Unionized employees would go to the parking lot to direct water to these filtered drains and scrape the screens to prevent them getting clogged; and,
- Sandbags were placed around portions of the driveway to contain water while it was filtered and drained properly.

2.4.2 Management of Entropex advised the Receiver that a team of at least four people must be onsite at Entropex 24 hours a day, seven days a week, to ensure the Protocols were followed if it rained.

2.4.3 On July 9, 2016 the Receiver advised the Ministry of the Environment (the “**MOE**”) of the Receivership, the termination of the unionized employees and shut down of the plant.

2.4.4 The Receiver engaged Pinchin Ltd. (“**Pinchin**”), an environmental engineering and consulting firm to attend the Lougar Property, identify risks of environmental contamination and provide advice and recommendations on how to mitigate these risks.

2.4.5 The Receiver has retained sufficient former Entropex staff members and temporary employees through an agency to maintain the Protocols at a cost of approximately \$90,000 per month.

2.5 Lougar Property Clean Up

2.5.1 The Receiver has engaged Diresco Inc. (“**Diresco**”) a local remediation and restoration company to:

- Sweep the entire paved area in front of the plant to remove plastic pellets;
- Sweep all corners and edges to remove plastic pellets;
- Sweep to remove all plastic pellets from outside machinery;
- Clean the screened area in the catch basins to remove plastic pellets; and,
- Vacuum and clean water and pellets in catch basins.

2.5.2 The Receiver and Diresco contacted the MOE to advise of the planned cleanup efforts outlined above. The MOE advised the cleanup efforts were reasonable.

2.5.3 Pinchin is conducting a review of the site for any other potential improvements to redirect and contain water in the event of rain.

2.6 Alternate Environmental Protocols

- 2.6.1 As an alternative to the Protocols, Diresco has provided a quote to supply a response team of five people that would attend the Lougar Property in the event of rain to manage the water flow and carry out the Protocols (the “**Alternate Plan**”). Diresco would require the Receiver maintain one site supervisor familiar with the existing storm water management procedures at the Lougar Property 24 hours a day, 7 days a week, who would alert Diresco when the response team is needed and then immediately commence dealing with the rain water. This would significantly reduce costs to the receivership to monitor and respond to the storm water, from approximately \$90,000 per month to approximately \$22,000 per month.
- 2.6.2 The Receiver has reviewed the Alternate Plan with Pinchin and the MOE. Pinchin has advised that since Entropex is no longer operational and the site has been cleaned by Diresco, thereby significantly reducing the risks of pellet contamination into the municipal sewer and drainage system, the Alternate Plan is a reasonable and appropriate response plan to respond to a storm. The MOE had no concerns with the plan; however, would not provide specific instruction on the appropriate level of monitoring after the cleanup.
- 2.6.3 As such, the Receiver recommends reducing the coverage maintained on the Lougar Property from four people on location 24 hours a day, 7 days a week, to one person, with the Diresco five person response team on standby to attend as needed. This change is expected to save the estate approximately \$68,000 per month in ongoing occupancy costs while at the same time providing sufficient water management coverage given the changed circumstances at the Lougar Property.

2.7 Ube Warehouse

- 2.7.1 Entropex leased a warehouse at 21 Ube Drive, Sarnia, Ontario (the “**Ube Warehouse**”). The warehouse contained some equipment and over 2.0 million kilograms of plastic that could not be used in Entropex’s recycling operations (the “**Ube Inventory**”).
- 2.7.2 Management advised the Receiver that the Ube Inventory had a book value of approximately \$2.3 million; but was not usable and should be disposed of. Management estimated the costs to dispose of the Ube Inventory would be approximately \$175,000.
- 2.7.3 The Receiver met with the landlord of the Ube Warehouse to advise the equipment would be removed and relocated to the Lougar Property and that the Receiver would not occupy the Ube Warehouse or take possession of the Ube Inventory. The Receiver offered that if so requested by the landlord, it would try and find a buyer for the Ube Inventory so it would be removed from the Ube Warehouse. The landlord has not yet confirmed this request of the Receiver.

2.8 Accounts Receivable

- 2.8.1 The book value of accounts receivable at the date of receivership was \$3,742,000.
- 2.8.2 The Receiver, and/or a representative of Entropex, contacted customers who depended on ongoing supply from Entropex to advise of the receivership and shut down. The Receiver felt that receivable collections would be maximized if customers had as much time as possible to find alternate supply.
- 2.8.3 The Receiver engaged the former Entropex Accounts Receivable Clerk to process all outstanding invoices and interact with customers to collect all accounts outstanding.

2.8.4 The Receiver notified the accounts receivable insurer of the receivership.

2.8.5 The Receiver has collected \$954,288 in accounts receivable to date.

2.9 Inventory Liquidation

2.9.1 The book value of raw material and finished goods inventory, excluding the UBE inventory, at the date of receivership was \$168,000 and \$285,000 respectively.

2.9.2 The Receiver engaged the former Entropex Sales Manager to sell the inventory. All sales were conducted on an “as-is/where-is” basis with no representations or warranties by the Receiver.

2.9.3 The Receiver has sold and collected \$127,000 in inventory sales post receivership.

2.10 Employees

2.10.1 Prior to the receivership, Entropex had approximately 30 non-union and 115 unionized employees. Upon the appointment of the Receiver, Entropex management met the employees to advise they had been terminated as a result of the receivership and plant shut down.

2.10.2 The Receiver retained the former Entropex Human Resources Manager to prepare and issue T4's and Records of Employment to all employees, and calculate employee claims for unpaid wages, vacation, and notice pay under the Wage Earner Protection Program (“WEPP”).

2.10.3 The Receiver has begun the claim process for the employees as required under the WEPP legislation.

2.10.4 The Receiver released all personally owned tools to former employees.

2.10.5 The Receiver retained 25 former Entropex employees. Eighteen of these individuals were retained to carry out the environmental Protocols that require four people onsite 24/7. The remainder were retained to assist with the inventory count, sales, accounting support and asset identification.

2.11 Insurance

2.11.1 MNP notified the existing insurance provider of its appointment as Receiver and requested to be added to the policy as named insured, which the insurance provider has done. The Receiver is reviewing coverage levels to determine any deficiencies or potential reductions.

2.12 Third Party Assets

2.12.1 Upon receiving confirmation of ownership, the Receiver has released certain third party assets that were at the Lougar Property upon its appointment. These assets included vending machines and employee tools and belongings.

2.13 Cash and Banking

2.13.1 Immediately after its appointment the Receiver requested all BNS accounts be frozen and set to accept deposits only.

2.13.2 The Receiver is not aware of bank accounts at any other institution.

2.13.3 The Receiver opened a trust account to handle all receipts and disbursements with respect to the Receivership administration.

2.14 Potential Sale Negotiation

2.14.1 On July 27, 2016 the Receiver received an offer to purchase the assets of the Companies. The offer contemplated the Receiver would conduct a two-week marketing campaign under a stalking horse sales process. The Receiver worked to negotiate terms of the sale; however, the prospective purchaser was ultimately unable to waive conditions included in the offer.

2.15 Notice

2.15.1 On July 22, 2016, the Receiver issued notice of its appointment pursuant to Section 245 of the *Bankruptcy and Insolvency Act* to all known creditors of the Companies and the Office of the Superintendent of Bankruptcy. A copy of the Section 245 notice is attached hereto as **Appendix B**.

2.15.2 The Receiver has setup a page on it's website at mnpdebt.ca to publically post all relevant receivership documents, including the Initial Order.

2.16 Independent Counsel

2.16.1 The Receiver has retained Advocates LLP ("**Advocates**") as independent counsel to provide an opinion to the Receiver on the validity and enforceability of the secured creditors' claims.

2.16.2 Advocates has reviewed all leases entered into by the Companies for various assets and has advised that all but the following are valid and enforceable:

- Ryder Truck Lease dated June 30, 2015;
- Xerox Lease dated November 9, 2012;
- Pitney Bowes Lease dated November 21, 2013;
- Waste Management Compactor Lease dated November 9, 2011;
- MCS Equipment Lease dated July 25, 2014;
- De Lage Landen Lease dated March 17, 2015;
- Hewitt Material Handling Lease dated July 14, 2014;
- Modspace Lease No. 073812;
- Modspace Lease No. 099726;
- Modspace Lease No. 099726F;
- Modspace Lease No. 154970;
- Modspace Lease dated February 4, 2015; and,

- Procor Lease dated February 1, 2016.

(collectively referred to as the “**Challenged Leases**”)

2.16.3 The Receiver will make arrangements to release or buyout the validly registered leases. The Receiver will notify the impacted leasing companies of the Challenged Leases and the issues identified therein and request additional information, if available.

3.0

Marketing and Sale of Assets

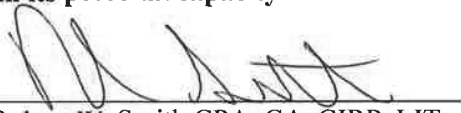
- 3.1 Pursuant to the Initial Order, the Receiver is authorized to market any or all of the assets and operations of the Companies, including advertising and soliciting offers and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
- 3.2 The Receiver describes herein, the sale process it wishes to undertake and will be seeking the Court's approval of same (the "Sale Process").
- 3.3 Working with MNP Corporate Finance, the Receiver developed a list of 124 parties potentially interested in purchasing the assets and undertakings of the Companies (including competitors and other industry players). The Receiver intends to mail the individuals on this list a notice of the Sale Process and invitation for proposals (the "Invitation for Proposals").
- 3.4 The Receiver proposes that it advertise the Invitation for Proposals for the sale of the Companies' assets and/or operations in the financial section of the national edition of the Globe & Mail within one week of the Court's approval of the proposed marketing process.
- 3.5 The deadline to submit offers has been established as 2:00 p.m. on Friday, September 16, 2016. This provides prospective bidders 30 days to complete their due diligence and prepare an offer.
- 3.6 The Receiver has prepared a Confidential Information Memorandum (the "CIM") which provides a brief overview of the Companies' operations and assets, and the Receiver's terms and conditions of sale. Due to the confidential nature of the CIM, the Receiver is disclosing it to the Court via supplementary report, which we request that the Court keep sealed. The Companies' assets being offered for sale include the Receiver's right, title and interest, if any, in the Lougar Property, inventory, equipment, vehicles and intellectual property owned by Entropex.
- 3.7 In addition to the CIM, interested parties must execute a confidentiality agreement (the "Confidentiality Agreement") if they wish to obtain more detailed financial information and perform due diligence. Upon receipt of the executed Confidentiality Agreement potential purchasers will be provided with access to a virtual data room that will provide further details relating to, among other things, the Companies' current and historical financial operating results and position.
- 3.8 A copy of the Invitation for Proposals and the Confidentiality Agreement including legal terms for the use of the data room are attached as **Appendix C**.
- 3.9 The Receiver has commissioned an appraisal of the Lougar Property.
- 3.10 The Receiver anticipates a high number of offers will be received for the personal property from industry players and liquidators. These offers will be used to determine the current realizable value of the personal property, and as such the Receiver does not intend to commission an appraisal of the equipment, inventory or vehicles.

4.0***Order Sought***

- 4.1 We submit this **First Report** to this Honourable Court in support of our Motion respectfully requesting this Honourable Court to:
- (a) Approve the First Report of the Receiver and the Supplement to the First Report of the Receiver, and the activities of the Receiver described herein;
 - (b) Seek approval of the proposed changes to the environmental Protocols as outlined therein;
 - (c) Approve the Sales Process described in Section 3.0 of this First Report; and,
 - (d) Approve the sealing of the Supplement to the First Report and its contents.

All of which is respectfully submitted this 5th day of August, 2016.

**MNP Ltd. in its capacity as
Receiver of
Entropex, 629728 Ontario Limited and Unitec Inc.
and not in its personal capacity**

Per: 
Robert W. Smith CPA, CA, CIRP, LIT
Senior Vice President



Court File No. 35-1979333T

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

THE HONOURABLE)
MISTER JUSTICE GARSON)
TUESDAY, THE 16TH
DAY OF AUGUST, 2016

BETWEEN:

(Court Seal)

THE BANK OF NOVA SCOTIA

Plaintiff

and

ENTROPEX, 629728 ONTARIO LIMITED, and UNITEC INC.

Defendants

ORDER

THIS MOTION, made by the Receiver for an Order approving the Receiver's First Report, as well as other relief, was heard this day at the Court House, 80 Dundas St., London, Ontario, N6A 6A3.

ON READING the Receiver's First Report, and upon reading the Confidential Supplement to the First Report, and upon hearing the submissions of the lawyers for the Receiver, and upon being advised that Keith Bechard, as a representative of the Defendants, is in attendance and consents to the within Order, and upon being advised that all persons listed on the service list were served with the Motion Record as evidenced by the Affidavit of Service filed,



SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record be and is hereby abridged and validated, if necessary, such that this Motion is properly returnable today and hereby dispense with further service thereof.

APPROVAL OF REPORT AND ACTIVITIES

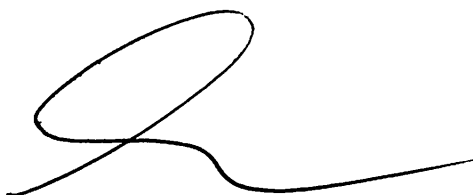
2. **THIS COURT ORDERS** that the First Report of the Receiver dated August 5, 2016 (the "First Report") and the Receiver's activities and conduct detailed and reported therein, be and are hereby approved.

3. **THIS COURT ORDERS** that the Confidential Supplement to the First Report dated August 5, 2016 (the "Confidential Supplement") and the Receiver's activities and conduct detailed and reported therein, be and are hereby approved.

SEALING OF CONFIDENTIAL SUPPLEMENT

4. **THIS COURT ORDERS** that the Confidential Supplement, filed with the Court separate and apart from the First Report, shall hereafter be filed in the within Court File in a sealed envelope or other appropriately sealed container and that only the Court and its clerk shall be entitled to open and review the contents without a further Order of the Court. The sealed envelope or container shall be endorsed with the title of proceedings in this action and a label identifying the contents as being "The Confidential Supplement to the First Report of the Receiver dated August 5, 2016", and the words "SUBJECT TO PROTECTIVE ORDER" and a statement in the following form: "THIS ENVELOPE IS NOT TO BE OPENED EXCEPT BY THE COURT OR ITS CLERKS OR BY OTHER PERSONS BY ORDER OF THE COURT".

See 49) attached



4a

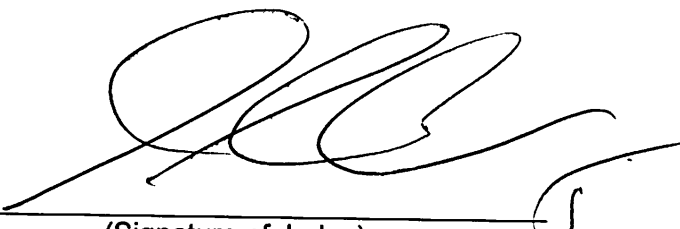
THIS COURT ORDERS That the sealing of the Confidential Supplement shall be in effect until the earlier of ninety (90) days from the date of the within Order and such further Order of this Court terminating, extending or otherwise addressing the sealing Order.

ENVIRONMENTAL PROTOCOLS

5. **THIS COURT ORDERS** that the relief sought relating to changes recommended by the Receiver to the Environmental Protocols presently in place at the property municipally known as 1271 Lougar Avenue, Sarnia, Ontario (the "Real Property"), as detailed in the First Report, be and is hereby adjourned to Tuesday August 23, 2016.

SALES PROCESS

6. **THIS COURT ORDERS** that the sales process recommended by the Receiver and detailed in the First Report and the Confidential Supplement, being an Invitation for Proposals process with a deadline for proposals of September 16, 2016 (the "Sales Process"), be and is hereby approved and the Receiver is hereby authorized to proceed as recommended with the Sales Process.



(Signature of Judge)

THE BANK OF NOVA SCOTIA
Plaintiff

-and- ENTROPEX ET AL.
Defendants

Court File No. 35-1979333T

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

PROCEEDING COMMENCED AT
LONDON

ORDER

ADVOCATES LLP
16th Floor - One London Place
255 Queens Avenue
London ON N6A 5R8

David S. Swift (40107N)
D.Swift@AdvocatesLLP.com
Tel: (519) 858-8220 ext. 235
Fax: 519-858-0687

Lawyers for the receiver

File Number: 16056

THE BANK OF NOVA SCOTIA
Plaintiff

-and- ENTROPEX ET AL.
Defendants

Court File No. 35-1979333T

AUG 16 2016

David Swift for MNF
No one else appearing

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
PROCEEDING COMMENCED AT
LONDON

MOTION RECORD

Upon reviewing materials and upon hearing and submissions being satisfied that actions on Receiver are the appropriate and just in the circumstances and upon being satisfied that a sealing order is necessary to protect the remaining commorals interests of Entropex, order to be in accordance with draft signed by me.

ADVOCATES LLP
16th Floor - One London Place
255 Queens Avenue
London ON N6A 5R8

David S. Swift (40107N)
D.Swift@AdvocatesLLP.com
Tel: (519) 858-8220 ext. 235
Fax: 519-858-0687

Lawyers for the receiver

File Number: 16056

[Handwritten signature]
w/entropex

ENDORSEMENT

Court File No.: 35 - 1979333T

Date: August 23, 2016

PLAINTIFF: The Bank of Nova Scotia	DEFENDANT: Entropex, 629725 Ontario Limited or Lente Inc.
COUNSEL:	COUNSEL:

MNP Ltd. was appointed Receiver of all the assets of the Defendants July 14, 2016. Subsequently the Receiver's First Report of a sales price has been approved by 16, 2016.

The Receiver now seeks an order approving changes to the "Environmental Protocols" "presently in place" at the property of the Ds. Specifically the Receiver asks the court to approve & authorize the reduction of on site coverage 24 hours/day, 7 days a week from 4 people to one person (the Supervisor) & the hiring of Direcso Inc to provide a 5 person response team which is to be available 24 hours/day, 7 days a week at the property when notified by the Supervisor in the event of rain. Counsel for the P supports the motion, counsel for the employees' union takes no position, the balance of the parties on the Service List have not responded with the exception of Mr. Bechard, referred to below, & which he filed an email stating that "understand the concerns" outlined in the "Seized Creditor Objection to Advertise Entropex Stormwater Management Plan" This latter document was presented to the court by Mr. Bechard who is a director, officer & shareholder of the debtor defendants and also a secured creditor.

Mr Bechard queries the viability & adequacy of what is proposed, the qualifications of the party which we call Pollutech, referred below, the Receiver would like to see the qualifications, ability & experience of D.isco Inc. He notes that the RS proposal is motivated by the desire to reduce monthly operating expense but expresses concern that office staffing is inadequate; the cleanup completed is insufficient preparation for an onsite staff reduction, and the service provider's operational & financial capability is uncertain. Overall, Mr Bechard submits that ~~the~~ that the Receiver proposes puts the property at risk. ~~that~~ The information provided by the Receiver, ~~establishes~~ that both is the record & by Mr Smith (staff)

- ① an environmental spill occurred in 2013 - as a result of a storm a large amount of pallets entered the city storm sewers
- ② the DS performed remediation work
- ③ by Provincial officers on a dated January 29, 2013, the Ministry of the Environment ("MOE") required the DS to improve its stormwater management
- ④ the DS applied for approval of stormwater management works & included a report prepared by Pollutech Environmental Limited ("Pollutech") dated Sept 23, 2014
- ⑤ the MOE issued an amended Environmental Compliance Approval dated July 28, 2015 respecting sewage works, described in the Sept 2014 application, which were to be completed within 5 years of the approval
- ⑥ the approval required the DS, amongst other

trap, to install a monitor temporary erosion
 + sediment control & to implement a spill
 contingency plan

⑦ The First Report of the Receiver indicates
 that a risk of another environmental spill remains,
 it believes the risk to less if operations were
 discontinued; however notwithstanding the
 cessation of operations risk of contamination
 continues; to maintain the protocols which the
 DS have followed since the 2013 spill 4 people
 have been on site 24/7, seven days/week;
 the Receiver has engaged Diresco to "clean up"
 the property; the Receiver retained Pinchin Ltd,
 an environmental engineering & consultancy firm
 & has reviewed the alternate plan it proposes
 with Pinchin which has advised the alternate
 plan is reasonable & appropriate; the MOE had
 no concerns with the alternate plan but "would
 not provide specific instructions on the appropriate
 level of monitoring after the cleanup."

Having reviewed the First Report in the context of the
 information outlined above, I am not satisfied that
 the relief requested can be entered on the
 record.

I find that Mr Bechard, whose interests are
 aligned with the Receiver, has raised legitimate
 concerns & questions which are not addressed
 or answered in the First Report; particularly
 when the MOE has taken the position set out
 above.

In these circumstances, the court is not in a
 position to authorize a change to the current
 environmental protocols.

Jane O'Leary



Ontario Search Results
ID 1336833
Search Type [BD] Business Debtor

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Printed :31AUG2016 10:52 AM

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 03 BUS NAME: ENTROPEX

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 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT : ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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GENERAL COLLATERAL DESCRIPTION

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 14 ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS
 15 THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY
 16 AGENT: AVS SYSTEMS INC.
 17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

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OCN :

04 ADDRESS :
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 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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 12 2012 HYSTER S50FT F187V20065K

GENERAL COLLATERAL DESCRIPTION
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 14 INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES
 15 FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

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24 TRANSFEROR: BUS NAME: ENTROPEX

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27 /DESCR: DEBTOR UNITEC INC. (1271 LOUGAR AVE)
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: 629728 ONTARIO LIMITED

OCN:
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CITY: SARNIA PROV: ON POSTAL CODE: N7S5N5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : AVS SYSTEMS INC
17 ADDRESS : 201-1325 POLSON DRIVE
CITY : VERNON PROV : BC POSTAL CODE : V1T 8H2

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SEARCH : BD : ENTROPEX

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23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: UNITEC INC.

OCN:
04/07 ADDRESS: 1271 LOUGAR AVE
CITY: SARNIA PROV: ON POSTAL CODE: N7S5N5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :
17 ADDRESS :
CITY : PROV : POSTAL CODE :

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 05 IND DOB : IND NAME:
 06 BUS NAME: 629728 ONTARIO LIMITED

OCN :
 07 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
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 11 2013 CATERPILLAR 2C6000 AT83F32129
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GENERAL COLLATERAL DESCRIPTION
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 14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
 15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
 16 AGENT: AVS SYSTEMS INC.
 17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
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03 BUS NAME: UNITEC INC.

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06 BUS NAME:

07 ADDRESS : OCN :
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09 ADDRESS :
CITY : PROV: POSTAL CODE:
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GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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GENERAL COLLATERAL DESCRIPTION
13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME17 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY MOTOR VEHICLE SCHEDULE 10:52:26
ACCOUNT : 009233-0001 FAMILY : 2 OF 11 ENQUIRY PAGE : 8 OF 25
FILE CURRENCY : 30AUG 2016
00 REF: 685990539 01 PAGE: 003 OF 3 REG NUM: 20130411 1127 1902 7278
 YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)
41 2013 CATERPILLAR 2C6000 AT83F32160
42
43
44
45
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56

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:28
ACCOUNT : 009233-0001 FAMILY : 3 OF 11 ENQUIRY PAGE : 9 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20130814 1115 1902 0954 REG TYP: P PPSA REG PERIOD: 04
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

07 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
YEAR MAKE MODEL V.I.N.
11 2013 CATERPILLAR/MITSU GC40K AT87B00096
12

GENERAL COLLATERAL DESCRIPTION
13 FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS
14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
16 AGENT: AVS SYSTEMS INC.
17 ADDRESS : 201 - 1325 POLSON DR.
CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:32
ACCOUNT : 009233-0001 FAMILY : 3 OF 11 ENQUIRY PAGE : 10 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20130814 1115 1902 0954 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:35
ACCOUNT : 009233-0001 FAMILY : 4 OF 11 ENQUIRY PAGE : 11 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20131219 1946 1531 3465 REG TYP: P PPSA REG PERIOD: 6
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :
04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

OCN :
07 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

09 ADDRESS : 3450 SUPERIOR COURT, UNIT 1
CITY : OAKVILLE PROV: ON POSTAL CODE: L6L 0C4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.
11 2012 CATERPILLAR P8000 AT4000521
12 2012 CATERPILLAR P8000 AT4000522

GENERAL COLLATERAL DESCRIPTION
13 ALL PERSONAL PROPERTY OF THE DEBTOR DESCRIBED HEREIN BY VEHICLE
14 IDENTIFICATION NUMBER OR SERIAL NUMBER, AS APPLICABLE, WHEREVER
15 SITUATED, TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO,
16 AGENT: D+H LIMITED PARTNERSHIP
17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:38
 ACCOUNT : 009233-0001 FAMILY : 4 OF 11 ENQUIRY PAGE : 12 OF 25
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : ENTROPEX

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
 01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20131219 1946 1531 3465 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION
 13 ALL ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON, ALL
 14 REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS OF ALL OR
 15 ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:41
 ACCOUNT : 009233-0001 FAMILY : 4 OF 11 ENQUIRY PAGE : 13 OF 25
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : ENTROPEX

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20131219 1946 1531 3465 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION
 13 THEREFROM.
 14
 15

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:44
ACCOUNT : 009233-0001 FAMILY : 5 OF 11 ENQUIRY PAGE : 14 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1345 1862 1916 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

07 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

13
14
15
16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:48
 ACCOUNT : 009233-0001 FAMILY : 5 OF 11 ENQUIRY PAGE : 15 OF 25
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : ENTROPEX

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20140516 1345 1862 1916 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: 629728 ONTARIO LIMITED

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION
 13
 14
 15

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:51
ACCOUNT : 009233-0001 FAMILY : 6 OF 11 ENQUIRY PAGE : 16 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1348 1862 1922 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

07 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 GENERAL ASSIGNMENT OF RENTS
14
15

16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:54
ACCOUNT : 009233-0001 FAMILY : 6 OF 11 ENQUIRY PAGE : 17 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1348 1862 1922 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12 GENERAL COLLATERAL DESCRIPTION
13
14
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16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:56
ACCOUNT : 009233-0001 FAMILY : 7 OF 11 ENQUIRY PAGE : 18 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 696359376 EXPIRY DATE : 22MAY 2019 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20140522 1111 1532 7864 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE BANK OF NOVA SCOTIA

09 ADDRESS : 20 QUEEN ST WEST 4TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3R3
CONS. MV DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

13
14
15
16 AGENT: CSRS
17 ADDRESS : 4126 NORLAND AVE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:52:59
ACCOUNT : 009233-0001 FAMILY : 8 OF 11 ENQUIRY PAGE : 19 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 713726856 EXPIRY DATE : 01FEB 2022 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20160201 1408 1462 9276 REG TYP: P PPSA REG PERIOD: 6
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX CORPORATION INC

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
XEROX CANADA LTD

09 ADDRESS : 33 BLOOR ST. E. 3RD FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M4W3H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

13
14
15
16 AGENT: PPSA CANADA INC. - (3992)
17 ADDRESS : 110 SHEPPARD AVE EAST, SUITE 303
CITY : TORONTO PROV: ON POSTAL CODE: M2N6Y8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:02
ACCOUNT : 009233-0001 FAMILY : 9 OF 11 ENQUIRY PAGE : 20 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 714828762 EXPIRY DATE : 17MAR 2026 STATUS :
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20160317 1006 1862 1923 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
UNITEC INC.

09 ADDRESS : C/O 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 5N5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X
YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 COLLATERAL SECURITY PURSUANT TO A PROMISSORY NOTE DATED OCTOBER 09,
14 2009 AND A GENERAL SECURITY AGREEMENT DATED OCTOBER 09, 2009
15

16 AGENT: CARLO CIMETTA PROFESSIONAL CORPORATION

17 ADDRESS : P. O. BOX 2259
CITY : SARNIA PROV: ONT POSTAL CODE: N7T 7L7

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:05
ACCOUNT : 009233-0001 FAMILY : 10 OF 11 ENQUIRY PAGE : 21 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 717998859 EXPIRY DATE : 24JUN 2018 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20160624 1402 1462 6966 REG TYP: P PPSA REG PERIOD: 2
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
RYDER TRUCK RENTAL CANADA LTD

09 ADDRESS : 700 CREDITSTONE ROAD
CITY : CONCORD PROV: ON POSTAL CODE: L4K5A5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
YEAR MAKE MODEL V.I.N.
11 2011 INTL PRO LF627 PREM 1HSCUAPR2BJ388378

12 GENERAL COLLATERAL DESCRIPTION

13
14
15

16 AGENT: PPSA CANADA INC.

17 ADDRESS : 110 SHEPPARD AVE EAST, STE 303
CITY : TORONTO PROV: ON POSTAL CODE: M2N6Y8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:07
ACCOUNT : 009233-0001 FAMILY : 11 OF 11 ENQUIRY PAGE : 22 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20160825 1054 1590 5536 REG TYP: P PPSA REG PERIOD: 1
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX LOGISTICS INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
HEWITT MATERIAL HANDLING INC.

09 ADDRESS : 5001 TRANS CANADA HIGHWAY
CITY : POINTE-CLAIRE PROV: QC POSTAL CODE: H9R 4R6
CONS. MV DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X
YEAR MAKE MODEL V.I.N.
11 CATERPILLAR 2C5000 AT9040645
12

GENERAL COLLATERAL DESCRIPTION
13 CATERPILLAR 5000 LB IC CUSHION, SERIAL NUMBER AT9040645, TOGETHER
14 WITH ALL ATTACHMENTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS,
15 ADDITIONS AND IMPROVEMENTS THERETO AND ANY AND ALL PROCEEDS ARISING
16 AGENT: DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5K 0A1

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:10
ACCOUNT : 009233-0001 FAMILY : 11 OF 11 ENQUIRY PAGE : 23 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20160825 1054 1590 5536 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC. OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 THEREFROM INCLUDING, WITHOUT LIMITATION, ACCOUNTS, MONEY, CHATTEL
14 PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, LICENSES, INSTRUMENTS,
15 SECURITIES, SUBSTITUTIONS, TRADE-INS, INSURANCE PROCEEDS AND ANY
16 AGENT:
17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:13
 ACCOUNT : 009233-0001 FAMILY : 11 OF 11 ENQUIRY PAGE : 24 OF 25
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : ENTROPEX

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
 01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20160825 1054 1590 5536 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10
 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION
 13 OTHER FORM OF PROCEEDS DERIVED DIRECTLY OR INDIRECTLY THEREFROM.

14
15

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:53:15
ACCOUNT : 009233-0001 FAMILY : 11 OF 11 ENQUIRY PAGE : 25 OF 25
FILE CURRENCY : 30AUG 2016
SEARCH : BD : ENTROPEX

FILE NUMBER 719940276
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20160829 1635 1590 5758
21 REFERENCE FILE NUMBER : 719940276
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: ENTROPEX LOGISTICS INC.

25 OTHER CHANGE:
26 REASON: AMEND REGISTRATION TO INCLUDE ADDITIONAL BUSINESS DEBTOR.
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: ENTROPEX

OCN:
04/07 ADDRESS: 1271 LOUGAR AVENUE
CITY: SARNIA PROV: ON POSTAL CODE: N7S 5N5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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16 NAME : DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5K 0A1

END OF REPORT



Ontario Search Results
ID 1336834
Search Type [BD] Business Debtor

Liens : 12 Pages : 35

Searched :31AUG2016 10:55 AM
Printed :31AUG2016 10:56 AM

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:26
ACCOUNT : 009233-0001 FAMILY : 1 OF 12 ENQUIRY PAGE : 1 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 674304237 EXPIRY DATE : 10NOV 2016 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20111110 1453 1530 2025 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

OCN :

04 ADDRESS : 61, VILLARBOIT CRESCENT
CITY : CONCORD PROV: ON POSTAL CODE: L4K 4R2
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
DERAGON LEASING INC.

09 ADDRESS : 443 PRINCIPALE
CITY : COWANSVILLE PROV: QC POSTAL CODE: J2K 1J4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X X
YEAR MAKE MODEL V.I.N.
11 2010 FORD F150 1FTEX1C85AFC79582
12

GENERAL COLLATERAL DESCRIPTION

13
14
15
16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:53:29
ACCOUNT : 009233-0001 FAMILY : 1 OF 12 ENQUIRY PAGE : 2 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

FILE NUMBER 674304237
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 002 MV SCHED: 20130319 1949 1531 5665
21 REFERENCE FILE NUMBER : 674304237
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: UNITEC INC.

25 OTHER CHANGE:
26 REASON: DELETE DEBTOR - UNITEC INC. 61, VILLARBOIT CRESCENT, CONCORD, ON L4K
27 /DESCR: 4R2
28 : ADD DEBTOR - AIR LIQUIDE CANADA INC. 1250 RENE-LEVESQUE BOUL. O.
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: AIR LIQUIDE CANADA INC.

OCN:
04/07 ADDRESS: 1250 RENE-LEVESQUE BOUL. O.
CITY: MONTREAL PROV: QC POSTAL CODE: H3B 5E6
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:53:32
ACCOUNT : 009233-0001 FAMILY : 1 OF 12 ENQUIRY PAGE : 3 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

FILE NUMBER 674304237
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 02 OF 002 MV SCHED: 20130319 1949 1531 5665
21 REFERENCE FILE NUMBER : 674304237
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON: MONTREAL, QC H3B 5E6
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

OCN:
04/07 ADDRESS:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :
17 ADDRESS :
CITY : PROV : POSTAL CODE :

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:35
ACCOUNT : 009233-0001 FAMILY : 2 OF 12 ENQUIRY PAGE : 4 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 674987103 EXPIRY DATE : 12DEC 2016 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20111212 1046 6005 9078 REG TYP: P PPSA REG PERIOD: 05
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX (A PARTNERSHIP)

04 ADDRESS : 1271 LOUGAR AVE. OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

07 ADDRESS : 1271 LOUGAR AVE. OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE (2555077)
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 ALL LIGHTING OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER
14 2555077 BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS
15 LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:37
ACCOUNT : 009233-0001 FAMILY : 2 OF 12 ENQUIRY PAGE : 5 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 674987103 EXPIRY DATE : 12DEC 2016 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20111212 1046 6005 9078 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 ACCESSORIES AND SUBSTITUTIONS.
14
15

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:40
ACCOUNT : 009233-0001 FAMILY : 3 OF 12 ENQUIRY PAGE : 6 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 676530315 EXPIRY DATE : 01MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED : X
REG NUM : 20120229 1657 1901 3195 REG TYP: P PPSA REG PERIOD: 06
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
CONS. MV DATE OF OR NO FIXED

Table with 7 columns: GOODS, INVTRY., EQUIP, ACCTS, OTHER, INCL, AMOUNT, MATURITY, MAT DATE. Rows include year make, model, and V.I.N. for 2012 Hyster forklifts.

GENERAL COLLATERAL DESCRIPTION

13 CUSHION TIRE FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES
14 ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS
15 THERE TO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY
16 AGENT: AVS SYSTEMS INC.
17 ADDRESS : 201 - 1325 POLSON DR.
CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:44
ACCOUNT : 009233-0001 FAMILY : 3 OF 12 ENQUIRY PAGE : 7 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 676530315 EXPIRY DATE : 01MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20120229 1657 1901 3195 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
11 2012 HYSTER S50FT F187V20064K
12 2012 HYSTER S50FT F187V20065K

GENERAL COLLATERAL DESCRIPTION
13 FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN
14 INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES
15 FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME17 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY MOTOR VEHICLE SCHEDULE 10:53:47
ACCOUNT : 009233-0001 FAMILY : 3 OF 12 ENQUIRY PAGE : 8 OF 35
FILE CURRENCY : 30AUG 2016
00 REF: 676530315 01 PAGE: 003 OF 3 REG NUM: 20120229 1657 1901 3195
 YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)
41 2012 HYSTER S50FT F187V20066K
42 2012 HYSTER S50FT F187V20067K
43
44
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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:53:50
 ACCOUNT : 009233-0001 FAMILY : 3 OF 12 ENQUIRY PAGE : 9 OF 35
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : UNITEC

FILE NUMBER 676530315

	PAGE	TOT		REGISTRATION NUM	REG TYPE
01 CAUTION :	001 OF 2		MV SCHED:	20120302 1328 1901 3252	
21 REFERENCE FILE NUMBER : 676530315					
22 AMEND PAGE:	NO PAGE:		CHANGE: A	AMNDMNT REN YEARS:	CORR PER:
23 REFERENCE DEBTOR/	IND NAME:				
24 TRANSFEROR:	BUS NAME:		ENTROPEX		

25 OTHER CHANGE:

26 REASON: ADDING DEBTOR 629728 ONTARIO LIMITED (1271 LOUGAR AVE) ADDING
 27 /DESCR: DEBTOR UNITEC INC. (1271 LOUGAR AVE)
 28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE: 629728 ONTARIO LIMITED

OCN:

04/07 ADDRESS: 1271 LOUGAR AVE

CITY: SARNIA

PROV: ON

POSTAL CODE: N7S5N5

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

10

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16 NAME : AVS SYSTEMS INC

17 ADDRESS : 201-1325 POLSON DRIVE

CITY : VERNON

PROV : BC

POSTAL CODE : V1T 8H2

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:53:53
 ACCOUNT : 009233-0001 FAMILY : 3 OF 12 ENQUIRY PAGE : 10 OF 35
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : UNITEC

FILE NUMBER 676530315

	PAGE	TOT		REGISTRATION NUM	REG TYPE
01 CAUTION :	002 OF 2		MV SCHED:	20120302 1328 1901 3252	
21 REFERENCE FILE NUMBER :	676530315				
22 AMEND PAGE:	NO PAGE:	CHANGE:	REN YEARS:	CORR PER:	
23 REFERENCE DEBTOR/	IND NAME:				
24 TRANSFEROR:	BUS NAME:				

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE: UNITEC INC.

OCN:

04/07 ADDRESS: 1271 LOUGAR AVE
 CITY: SARNIA PROV: ON POSTAL CODE: N7S5N5
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :
 17 ADDRESS :
 CITY : PROV : POSTAL CODE :

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:53:56
ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 11 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
01 CAUTION FILING : PAGE : 001 OF 007 MV SCHEDULE ATTACHED :
 REG NUM : 20120525 1459 1862 9663 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

OCN : 1644435

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ONT POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 KEVIN BECHARD

09 ADDRESS : C/O 1166 LONDON ROAD
 CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4

CONS.	GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	DATE OF	OR NO	FIXED
								MATURITY	MAT	DATE
	10	X	X	X	X					X
		YEAR MAKE			MODEL			V.I.N.		

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GENERAL COLLATERAL DESCRIPTION

13 COLLATERAL SECURITY PURSUANT TO A PROMISSORY NOTE DATED OCTOBER 9,
14 2009 AND A GENERAL SECURITY AGREEMENT DATED OCTOBER 9, 2009
15

16 AGENT: CARLO CIMETTA PROFESSIONAL CORPORATION

17 ADDRESS : P.O. BOX 2259

CITY : SARNIA PROV: ONT POSTAL CODE: N7T 7L7

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:00
ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 12 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
01 CAUTION FILING : PAGE : 002 OF 007 MV SCHEDULE ATTACHED :
REG NUM : 20120525 1459 1862 9663 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
TIMOTHY BECHARD

09 ADDRESS : C/O 1166 LONDON ROAD
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:03
ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 13 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
01 CAUTION FILING : PAGE : 003 OF 007 MV SCHEDULE ATTACHED :
REG NUM : 20120525 1459 1862 9663 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
KEITH BECHARD

09 ADDRESS : C/O 1166 LONDON ROAD
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:08
ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 15 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
01 CAUTION FILING : PAGE : 005 OF 007 MV SCHEDULE ATTACHED :
REG NUM : 20120525 1459 1862 9663 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
CAROLYN HANNON

09 ADDRESS : C/O 1166 LONDON ROAD
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:11
 ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 16 OF 35
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
 01 CAUTION FILING : PAGE : 006 OF 007 MV SCHEDULE ATTACHED :
 REG NUM : 20120525 1459 1862 9663 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 PATRICIA PEQUEGNAT

09 ADDRESS : C/O 1166 LONDON ROAD
 CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
 12

GENERAL COLLATERAL DESCRIPTION

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16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:14
ACCOUNT : 009233-0001 FAMILY : 4 OF 12 ENQUIRY PAGE : 17 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 678649095 EXPIRY DATE : 25MAY 2022 STATUS :
01 CAUTION FILING : PAGE : 007 OF 007 MV SCHEDULE ATTACHED :
REG NUM : 20120525 1459 1862 9663 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
JOAN HETT

09 ADDRESS : C/O 1166 LONDON ROAD
CITY : SARNIA PROV: ONT POSTAL CODE: N7S 1P4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12 GENERAL COLLATERAL DESCRIPTION

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14
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16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:17
ACCOUNT : 009233-0001 FAMILY : 5 OF 12 ENQUIRY PAGE : 18 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 685990539 EXPIRY DATE : 11APR 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED : X
REG NUM : 20130411 1127 1902 7278 REG TYP: P PPSA REG PERIOD: 04
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

07 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X
YEAR MAKE MODEL V.I.N.
11 2013 CATERPILLAR 2C6000 AT83F32129
12 2013 CATERPILLAR 2C6000 AT83F32158

GENERAL COLLATERAL DESCRIPTION
13 FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS
14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
16 AGENT: AVS SYSTEMS INC.
17 ADDRESS : 201 - 1325 POLSON DR.
CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:20
ACCOUNT : 009233-0001 FAMILY : 5 OF 12 ENQUIRY PAGE : 19 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 685990539 EXPIRY DATE : 11APR 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20130411 1127 1902 7278 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

04 ADDRESS : 1271 LOUGAR AVE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

Table with 4 columns: YEAR MAKE, MODEL, V.I.N., and MAT DATE. Rows include 2013 CATERPILLAR 2C6000 AT83F32130 and 2013 CATERPILLAR 2C6000 AT83F32159.

GENERAL COLLATERAL DESCRIPTION
13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME17 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY MOTOR VEHICLE SCHEDULE 10:54:23
ACCOUNT : 009233-0001 FAMILY : 5 OF 12 ENQUIRY PAGE : 20 OF 35
FILE CURRENCY : 30AUG 2016
00 REF: 685990539 01 PAGE: 003 OF 3 REG NUM: 20130411 1127 1902 7278
YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)
41 2013 CATERPILLAR 2C6000 AT83F32160
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:25
ACCOUNT : 009233-0001 FAMILY : 6 OF 12 ENQUIRY PAGE : 21 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20130814 1115 1902 0954 REG TYP: P PPSA REG PERIOD: 04
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X X
 YEAR MAKE MODEL V.I.N.
11 2013 CATERPILLAR/MITSU GC40K AT87B00096
12

GENERAL COLLATERAL DESCRIPTION

13 FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS
14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
16 AGENT: AVS SYSTEMS INC.
17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:29
ACCOUNT : 009233-0001 FAMILY : 6 OF 12 ENQUIRY PAGE : 22 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20130814 1115 1902 0954 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

OCN :
04 ADDRESS : 1271 LOUGAR AVE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:32
ACCOUNT : 009233-0001 FAMILY : 7 OF 12 ENQUIRY PAGE : 23 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20131219 1946 1531 3465 REG TYP: P PPSA REG PERIOD: 6
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :
04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

OCN :
07 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

09 ADDRESS : 3450 SUPERIOR COURT, UNIT 1
CITY : OAKVILLE PROV: ON POSTAL CODE: L6L 0C4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.
11 2012 CATERPILLAR P8000 AT4000521
12 2012 CATERPILLAR P8000 AT4000522

GENERAL COLLATERAL DESCRIPTION
13 ALL PERSONAL PROPERTY OF THE DEBTOR DESCRIBED HEREIN BY VEHICLE
14 IDENTIFICATION NUMBER OR SERIAL NUMBER, AS APPLICABLE, WHEREVER
15 SITUATED, TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO,
16 AGENT: D+H LIMITED PARTNERSHIP
17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:35
ACCOUNT : 009233-0001 FAMILY : 7 OF 12 ENQUIRY PAGE : 24 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20131219 1946 1531 3465 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 ALL ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON, ALL
14 REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS OF ALL OR
15 ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:38
 ACCOUNT : 009233-0001 FAMILY : 7 OF 12 ENQUIRY PAGE : 25 OF 35
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : UNITEC

00 FILE NUMBER : 692723727 EXPIRY DATE : 19DEC 2019 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20131219 1946 1531 3465 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10
 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION
 13 THEREFROM.

14
 15
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:40
ACCOUNT : 009233-0001 FAMILY : 8 OF 12 ENQUIRY PAGE : 26 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696221046 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1344 1862 1915 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: L7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:43
ACCOUNT : 009233-0001 FAMILY : 9 OF 12 ENQUIRY PAGE : 27 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1345 1862 1916 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

07 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

13
14
15
16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:46
ACCOUNT : 009233-0001 FAMILY : 9 OF 12 ENQUIRY PAGE : 28 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1345 1862 1916 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

OCN :
04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
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13 GENERAL COLLATERAL DESCRIPTION
14
15

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:49
ACCOUNT : 009233-0001 FAMILY : 10 OF 12 ENQUIRY PAGE : 29 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1348 1862 1922 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

07 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 GENERAL ASSIGNMENT OF RENTS
14
15

16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:51
ACCOUNT : 009233-0001 FAMILY : 10 OF 12 ENQUIRY PAGE : 30 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1348 1862 1922 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

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14
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16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:55
ACCOUNT : 009233-0001 FAMILY : 11 OF 12 ENQUIRY PAGE : 31 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 696369411 EXPIRY DATE : 22MAY 2019 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20140522 1503 1532 7915 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

04 ADDRESS : 1271 LOUGAR AVENUE OCN :
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE BANK OF NOVA SCOTIA

09 ADDRESS : 20 QUEEN ST WEST 4TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3R3
CONS. MV DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION

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16 AGENT: CSRS
17 ADDRESS : 4126 NORLAND AVE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:54:58
ACCOUNT : 009233-0001 FAMILY : 12 OF 12 ENQUIRY PAGE : 32 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20160825 1054 1590 5536 REG TYP: P PPSA REG PERIOD: 1
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX LOGISTICS INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
HEWITT MATERIAL HANDLING INC.

09 ADDRESS : 5001 TRANS CANADA HIGHWAY
CITY : POINTE-CLAIRE PROV: QC POSTAL CODE: H9R 4R6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X
YEAR MAKE MODEL V.I.N.
11 CATERPILLAR 2C5000 AT9040645
12

GENERAL COLLATERAL DESCRIPTION
13 CATERPILLAR 5000 LB IC CUSHION, SERIAL NUMBER AT9040645, TOGETHER
14 WITH ALL ATTACHMENTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS,
15 ADDITIONS AND IMPROVEMENTS THERETO AND ANY AND ALL PROCEEDS ARISING
16 AGENT: DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
CITY : TORONTO PROV: ON POSTAL CODE: M5K 0A1

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:03
ACCOUNT : 009233-0001 FAMILY : 12 OF 12 ENQUIRY PAGE : 34 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20160825 1054 1590 5536 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 OTHER FORM OF PROCEEDS DERIVED DIRECTLY OR INDIRECTLY THEREFROM.

14
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:55:06
ACCOUNT : 009233-0001 FAMILY : 12 OF 12 ENQUIRY PAGE : 35 OF 35
FILE CURRENCY : 30AUG 2016
SEARCH : BD : UNITEC

FILE NUMBER 719940276
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20160829 1635 1590 5758
21 REFERENCE FILE NUMBER : 719940276
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: ENTROPEX LOGISTICS INC.

25 OTHER CHANGE:
26 REASON: AMEND REGISTRATION TO INCLUDE ADDITIONAL BUSINESS DEBTOR.
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: ENTROPEX

OCN:
04/07 ADDRESS: 1271 LOUGAR AVENUE
CITY: SARNIA PROV: ON POSTAL CODE: N7S 5N5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5K 0A1

END OF REPORT



Ontario Search Results
ID 1336835
Search Type [BD] Business Debtor

Liens : 8 Pages : 20

Searched :31AUG2016 10:56 AM
Printed :31AUG2016 10:57 AM

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:17
ACCOUNT : 009233-0001 FAMILY : 1 OF 8 ENQUIRY PAGE : 1 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 676530315 EXPIRY DATE : 01MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED : X
 REG NUM : 20120229 1657 1901 3195 REG TYP: P PPSA REG PERIOD: 06
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10	YEAR MAKE	MODEL	V.I.N.
	X	X	X
11	2012 HYSTER	S50FT	F187V20061K
12	2012 HYSTER	S50FT	F187V20063K

GENERAL COLLATERAL DESCRIPTION

13 CUSHION TIRE FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES
14 ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS
15 THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY
16 AGENT: AVS SYSTEMS INC.
17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:20
ACCOUNT : 009233-0001 FAMILY : 1 OF 8 ENQUIRY PAGE : 2 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 676530315 EXPIRY DATE : 01MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20120229 1657 1901 3195 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
11 2012 HYSTER S50FT F187V20064K
12 2012 HYSTER S50FT F187V20065K

GENERAL COLLATERAL DESCRIPTION
13 FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN
14 INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES
15 FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME17 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY MOTOR VEHICLE SCHEDULE 10:55:23
ACCOUNT : 009233-0001 FAMILY : 1 OF 8 ENQUIRY PAGE : 3 OF 20
FILE CURRENCY : 30AUG 2016
00 REF: 676530315 01 PAGE: 003 OF 3 REG NUM: 20120229 1657 1901 3195
YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)
41 2012 HYSTER S50FT F187V20066K
42 2012 HYSTER S50FT F187V20067K
43
44
45
46
47
48
49
50
51
52
53
54
55
56

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:55:27
ACCOUNT : 009233-0001 FAMILY : 1 OF 8 ENQUIRY PAGE : 4 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

FILE NUMBER 676530315

	PAGE	TOT		REGISTRATION NUM	REG TYPE
01 CAUTION :	001	OF 2	MV SCHED:	20120302 1328 1901 3252	
21 REFERENCE FILE NUMBER :	676530315				
22 AMEND PAGE:	NO PAGE:	CHANGE: A	AMNDMNT REN YEARS:		CORR PER:
23 REFERENCE DEBTOR/	IND NAME:				
24 TRANSFEROR:	BUS NAME: ENTROPEX				

25 OTHER CHANGE:

26 REASON: ADDING DEBTOR 629728 ONTARIO LIMITED (1271 LOUGAR AVE) ADDING

27 /DESCR: DEBTOR UNITEC INC. (1271 LOUGAR AVE)

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE: 629728 ONTARIO LIMITED

OCN:

04/07 ADDRESS: 1271 LOUGAR AVE

CITY: SARNIA

PROV: ON

POSTAL CODE: N7S5N5

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

10

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16 NAME : AVS SYSTEMS INC

17 ADDRESS : 201-1325 POLSON DRIVE

CITY : VERNON

PROV : BC

POSTAL CODE : V1T 8H2

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:55:29
 ACCOUNT : 009233-0001 FAMILY : 1 OF 8 ENQUIRY PAGE : 5 OF 20
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : 629728 ONTARIO

FILE NUMBER 676530315
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 002 OF 2 MV SCHED: 20120302 1328 1901 3252
 21 REFERENCE FILE NUMBER : 676530315
 22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE: UNITEC INC.

OCN:
 04/07 ADDRESS: 1271 LOUGAR AVE
 CITY: SARNIA PROV: ON POSTAL CODE: N7S5N5
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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16 NAME :
 17 ADDRESS :
 CITY : PROV : POSTAL CODE :

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:33
 ACCOUNT : 009233-0001 FAMILY : 2 OF 8 ENQUIRY PAGE : 6 OF 20
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 685990539 EXPIRY DATE : 11APR 2017 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED : X
 REG NUM : 20130411 1127 1902 7278 REG TYP: P PPSA REG PERIOD: 04
 02 IND DOB : IND NAME:
 03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 05 IND DOB : IND NAME:
 06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.
 11 2013 CATERPILLAR 2C6000 AT83F32129
 12 2013 CATERPILLAR 2C6000 AT83F32158

GENERAL COLLATERAL DESCRIPTION
 13 FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS
 14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
 15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
 16 AGENT: AVS SYSTEMS INC.
 17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:36
 ACCOUNT : 009233-0001 FAMILY : 2 OF 8 ENQUIRY PAGE : 7 OF 20
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 685990539 EXPIRY DATE : 11APR 2017 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20130411 1127 1902 7278 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: UNITEC INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10
 YEAR MAKE MODEL V.I.N.
 11 2013 CATERPILLAR 2C6000 AT83F32130
 12 2013 CATERPILLAR 2C6000 AT83F32159

GENERAL COLLATERAL DESCRIPTION
 13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
 14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
 15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME17 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY MOTOR VEHICLE SCHEDULE 10:55:39
ACCOUNT : 009233-0001 FAMILY : 2 OF 8 ENQUIRY PAGE : 8 OF 20
FILE CURRENCY : 30AUG 2016
00 REF: 685990539 01 PAGE: 003 OF 3 REG NUM: 20130411 1127 1902 7278
YEAR (===== MAKE =====) (===== MODEL =====) (===== V.I.N. =====)
41 2013 CATERPILLAR 2C6000 AT83F32160
42
43
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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:40
 ACCOUNT : 009233-0001 FAMILY : 3 OF 8 ENQUIRY PAGE : 9 OF 20
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20130814 1115 1902 0954 REG TYP: P PPSA REG PERIOD: 04
 02 IND DOB : IND NAME:
 03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 05 IND DOB : IND NAME:
 06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
 08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : SUITE 1500, 4710 KINGSWAY ST.
 CITY : BURNABY PROV: BC POSTAL CODE: V5H 4M2
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X
 YEAR MAKE MODEL V.I.N.
 11 2013 CATERPILLAR/MITSU GC40K AT87B00096
 12

GENERAL COLLATERAL DESCRIPTION

13 FORKLIFT(S), TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS
 14 REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL
 15 PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE
 16 AGENT: AVS SYSTEMS INC.
 17 ADDRESS : 201 - 1325 POLSON DR.
 CITY : VERNON PROV: BC POSTAL CODE: V1T 8H2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:44
ACCOUNT : 009233-0001 FAMILY : 3 OF 8 ENQUIRY PAGE : 10 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 689453919 EXPIRY DATE : 14AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20130814 1115 1902 0954 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE
14 PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR
15 DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL
16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:47
ACCOUNT : 009233-0001 FAMILY : 4 OF 8 ENQUIRY PAGE : 11 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1345 1862 1916 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

OCN :

07 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X X
YEAR MAKE MODEL V.I.N.

11
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:50
ACCOUNT : 009233-0001 FAMILY : 4 OF 8 ENQUIRY PAGE : 12 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 696221055 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
REG NUM : 20140516 1345 1862 1916 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

OCN :
04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
13 GENERAL COLLATERAL DESCRIPTION
14
15

16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:56
ACCOUNT : 009233-0001 FAMILY : 6 OF 8 ENQUIRY PAGE : 14 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20140516 1348 1862 1922 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: UNITEC INC.

OCN :

07 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
08 SECURED PARTY/LIEN CLAIMANT :
 ROYNAT INC.

09 ADDRESS : 40 KING STREET WEST, 26TH FLOOR
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
 YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION
13 GENERAL ASSIGNMENT OF RENTS

14
15

16 AGENT: MILLER THOMSON LLP (KS)
17 ADDRESS : 255 QUEENS AVE, SUITE 2010
 CITY : LONDON PROV: ON POSTAL CODE: N6A 5R8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:55:59
ACCOUNT : 009233-0001 FAMILY : 6 OF 8 ENQUIRY PAGE : 15 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 696221163 EXPIRY DATE : 16MAY 2025 STATUS :
01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20140516 1348 1862 1922 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:
17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:56:01
ACCOUNT : 009233-0001 FAMILY : 7 OF 8 ENQUIRY PAGE : 16 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 696369402 EXPIRY DATE : 22MAY 2019 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20140522 1503 1532 7914 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 629728 ONTARIO LIMITED

OCN :
04 ADDRESS : 1271 LOUGAR AVENUE
CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE BANK OF NOVA SCOTIA

09 ADDRESS : 20 QUEEN ST WEST 4TH FLOOR
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3R3
CONS. MV DATE OF OR NO FIXED

GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10	X	X	X	X				
	YEAR MAKE			MODEL		V.I.N.		

11
12

GENERAL COLLATERAL DESCRIPTION

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14
15

16 AGENT: CSRS

17 ADDRESS : 4126 NORLAND AVE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:56:04
ACCOUNT : 009233-0001 FAMILY : 8 OF 8 ENQUIRY PAGE : 17 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20160825 1054 1590 5536 REG TYP: P PPSA REG PERIOD: 1
02 IND DOB : IND NAME:
03 BUS NAME: ENTROPEX LOGISTICS INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME: 629728 ONTARIO LIMITED

OCN :

07 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5

08 SECURED PARTY/LIEN CLAIMANT :
 HEWITT MATERIAL HANDLING INC.

09 ADDRESS : 5001 TRANS CANADA HIGHWAY
 CITY : POINTE-CLAIRE PROV: QC POSTAL CODE: H9R 4R6
CONS. MV DATE OF OR NO FIXED

GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10		X		X	X			
	YEAR MAKE			MODEL		V.I.N.		
11		CATERPILLAR		2C5000		AT9040645		

12
GENERAL COLLATERAL DESCRIPTION
13 CATERPILLAR 5000 LB IC CUSHION, SERIAL NUMBER AT9040645, TOGETHER
14 WITH ALL ATTACHMENTS, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS,
15 ADDITIONS AND IMPROVEMENTS THERETO AND ANY AND ALL PROCEEDS ARISING
16 AGENT: DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M5K 0A1

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:56:07
ACCOUNT : 009233-0001 FAMILY : 8 OF 8 ENQUIRY PAGE : 18 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20160825 1054 1590 5536 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME: UNITEC INC.

OCN :

04 ADDRESS : 1271 LOUGAR AVENUE
 CITY : SARNIA PROV: ON POSTAL CODE: N7S 5N5
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
 YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 THEREFROM INCLUDING, WITHOUT LIMITATION, ACCOUNTS, MONEY, CHATTEL
14 PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, LICENSES, INSTRUMENTS,
15 SECURITIES, SUBSTITUTIONS, TRADE-INS, INSURANCE PROCEEDS AND ANY
16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 10:56:09
 ACCOUNT : 009233-0001 FAMILY : 8 OF 8 ENQUIRY PAGE : 19 OF 20
 FILE CURRENCY : 30AUG 2016
 SEARCH : BD : 629728 ONTARIO

00 FILE NUMBER : 719940276 EXPIRY DATE : 25AUG 2017 STATUS :
 01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
 REG NUM : 20160825 1054 1590 5536 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:

OCN :

04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:
 08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

11
 12

GENERAL COLLATERAL DESCRIPTION
 13 OTHER FORM OF PROCEEDS DERIVED DIRECTLY OR INDIRECTLY THEREFROM.

14
 15

16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 08/31/2016
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 10:56:12
ACCOUNT : 009233-0001 FAMILY : 8 OF 8 ENQUIRY PAGE : 20 OF 20
FILE CURRENCY : 30AUG 2016
SEARCH : BD : 629728 ONTARIO

FILE NUMBER 719940276

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20160829 1635 1590 5758
21 REFERENCE FILE NUMBER : 719940276
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: ENTROPEX LOGISTICS INC.

25 OTHER CHANGE:
26 REASON: AMEND REGISTRATION TO INCLUDE ADDITIONAL BUSINESS DEBTOR.
27 /DESCR:
28 :

02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE: ENTROPEX

OCN:

04/07 ADDRESS: 1271 LOUGAR AVENUE
CITY: SARNIA PROV: ON POSTAL CODE: N7S 5N5

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : DENTONS CANADA LLP (AF/JSALMAS)
17 ADDRESS : 77 KING STREET WEST, SUITE 400
CITY : TORONTO PROV : ON POSTAL CODE : M5K 0A1

END OF REPORT

RAIL CAR LEASE AGREEMENT

BETWEEN

PROCOR LIMITED

AND

ENTROPLEX
1271 LAUGAR AVE
SAWENIA, ONTARIO
N7S 5N5

INDEX

Paragraph	Page
1. Provision of Cars.....	1
2. Repairs.....	2
3. Substitution.....	2
4. Modifications.....	3
5. Suitability and Use.....	4
6. Area of Use.....	5
7. Coatings and Linings.....	5
8. Lettering.....	6
9. Cleaning.....	6
10. Assignment.....	7
11. Rental Charges and Other Sums Payable by Customer.....	7
12. Accessions.....	10
13. Liability and Indemnity.....	10
14. Taxes and Liens.....	12
15. Return of Cars.....	12
16. Term.....	13
17. Subordination.....	13
18. Remedies.....	14
19. Governing Law.....	15
20. Force Majeure.....	15
21. Entire Agreement and Amendments.....	16
22. Waiver.....	16
23. Benefit.....	16
24. Severability.....	17
25. Titles and Construction.....	17

RAIL CAR LEASE AGREEMENT

Effective, the 27th day of August, 2001, Procor Limited, a Canadian corporation having its registered office at Oakville, Ontario ("Procor") and Entropex, a Canadian corporation having its registered office at Sarnia, Ontario ("Customer"), in consideration of the payment by Customer of the rental charges and other sums to Procor and the terms and conditions set out below and other good and valuable consideration, agree as follows:

1. PROVISION OF CARS

Procor shall lease to Customer rail cars ("Cars") specified by Customer as set out in Riders added to this Rail Car Lease Agreement from time to time by the mutual agreement of Procor and Customer upon the terms and conditions set out below and in such Riders. Procor shall deliver the Cars to Customer at an agreed upon point of delivery and warrants that the Cars at the time of their delivery will comply in so far as their construction is concerned with relevant notices, orders, rules, requirements, regulations and laws (jointly and severally referred to hereinafter as "Regulations") then in effect of the Association of American Railroads ("A.A.R."), its successor and any Canadian federal government authority having jurisdiction applicable to the Cars. Customer shall have the right to examine the Cars at the time of their delivery and, unless Customer advises Procor in writing to the contrary at that time, Customer shall be deemed to have examined and accepted same upon the terms and conditions set out below and in the applicable Rider. Procor and Customer acknowledge and agree that the Rail Car Lease Agreement and Riders are complementary and together comprise the agreement between them ("Agreement"). Should a Rider conflict with the Rail Car Lease Agreement, the Rider shall govern.

2. REPAIRS

Except as otherwise provided in this Agreement, Procor shall be responsible for repairing and maintaining the Cars only in accordance with Regulations in effect from time to time of the A.A.R., its successor and any Canadian federal government authority having jurisdiction applicable to the Cars. Procor shall have no such responsibility until informed of the need for such repairs or maintenance to any Car by notice in writing from Customer or from any governmental authority or railway industry authority, including any railway company, having jurisdiction in Canada or elsewhere applicable to the Cars.

If a Car requires any repairs or maintenance, Customer shall so notify Procor promptly and shall deliver such Car empty or as may be otherwise reasonably required by Procor from time to time to an appropriate repair shop designated by Procor. Procor shall have a reasonable period of time following delivery of such Car to such repair shop to either effect the required repairs or maintenance and charge Customer for such repairs or maintenance which are Customer's responsibility under this Agreement or give notice to Customer pursuant to paragraph 3 below. Except as otherwise provided in this Agreement, Customer shall not repair or maintain any Car without obtaining the prior written consent of Procor, which consent may be arbitrarily withheld. In the event that Procor provides Customer with such consent, Procor and Customer agree that such consent shall be granted subject to the condition that Customer performs such repairs or maintenance to any Car at the sole risk of Customer and for such repairs or maintenance which are Procor's responsibility under this Agreement, for agreed upon maximum charges to the account of Procor.

3. SUBSTITUTION

If any Car is destroyed, damaged beyond repair or requires repairs, the cost of which, in Procor's opinion, cannot be recovered economically during the remaining book life of such Car as determined by Procor, the rental period with respect to such Car shall terminate as of the date of such destruction, damage or written notice to Customer of the determination by Procor of the cost of such repairs.

Procor shall have the right, but shall not be obligated, to substitute by written notice to **Customer** another Car of the same type and capacity and upon the same terms and conditions as applied to the former Car for the balance of the rental period of the former Car outstanding as of such date.

4. MODIFICATIONS

In the event that any modifications, changes, improvements or additions, including without limitation additional or replacement parts, accessories, coatings linings, ("Modifications") are required to be made to any Car as a result of any new or revised Regulations of the A.A.R., its successor or any Canadian federal government authority having jurisdiction applicable to such Car in order to permit its continued use, **Procor** shall discuss with **Customer** the technical nature of the required Modifications, the possible means of performing same and their estimated cost; **Procor**, however, reserves the right to pursue one of the following alternatives:

- (i) In circumstances where it would be economically justifiable for **Procor** in its opinion to do so, **Procor** shall perform the required Modifications. Should **Customer** desire to continue to use such Car so modified in its service, **Customer** shall pay **Procor** an increase in the rental charges for such Car as determined by **Procor** so as to allow recovery during the remaining book life of such Car as determined by **Procor** of all its costs associated with the performance of the required Modifications, such increase being effective as of the date of the written notice from **Procor** to **Customer** that such Car is available for forwarding to **Customer** and during the balance of the rental period in respect of such Car. However, should **Customer** determine that such increase is unacceptable, **Customer** shall return such Car to **Procor** and shall pay **Procor** within thirty days after the date of a written request from **Procor** a single lump sum payment equal to the sum of all amounts due and payable up to and including the date of receipt of such Car by **Procor** and which would have become due and payable during the balance of the rental period in respect of such Car, such latter amounts being discounted to present value at the "Bank Rate" most recently set by the Bank of Canada as at such date, whereupon the rental period with respect to such Car shall terminate; or

- (ii) In circumstances where it would not be economically justifiable for Procor in its opinion to perform the required Modifications, Procor shall not perform the required Modifications; Procor shall remove such Car from Customer's service whereupon the rental charges and rental period with respect to such Car shall terminate upon its return by Customer to Procor but not earlier than the latest date for completing such Modifications according to such Regulations. However, in such circumstances where Customer is willing to assume responsibility for all costs associated with the performance of the required Modifications, the required Modifications to such Car shall be performed as mutually agreed upon by Procor and Customer and the rental charges and rental period with respect to such Car shall continue uninterrupted.

Customer shall not perform any Modifications to any Car without first obtaining prior written consent of Procor, which consent may be arbitrarily withheld.

5. SUITABILITY AND USE

- A. In specifying the Cars for and using Cars in its service, Customer shall comply with all Regulations in effect from time to time of any governmental authority and railway industry authority, including any particular requirements of any railway company, having jurisdiction applicable to the Cars. Without limiting the generality of the foregoing, Customer shall be solely responsible to obtain any permit, approval or license required to be obtained from time to time from any governmental authority or railway industry authority, including any railway company, having jurisdiction applicable to the Cars pertaining to the use of the Cars. However, in no event shall Procor be liable for loss of the use of any Car if any such permit, approval or license is not obtained for any reason, whether valid or not, or is withdrawn or

modified, it being agreed that such event shall not be considered an event of Force Majeure and the term of this Agreement generally and the rental period with respect to such Car shall continue in full force and effect, including without limitation Customer's responsibility to pay rental charges and other sums hereunder, notwithstanding such event.

- B. Customer shall not use any Car for the transportation, handling or storage of any commodity which may damage such Car.
- C. Subsequent to the delivery by Procor of the Cars to Customer and their acceptance by Customer as referred to above, it shall be the sole responsibility of Customer to ensure on each occasion prior to loading and shipment that the Cars are in proper condition for loading and shipment. Loading of a commodity in any Car shall be conclusive proof that Customer determined that such Car was in such condition at that time and fit in all respects for the purposes for which it was intended to be used thereafter.
- D. Except as otherwise specifically stated herein, no representation or warranty, implied or otherwise, as to any matter whatsoever relating to the Cars, including without limitation the condition of any Car or the fitness of any Car for any particular purpose, shall be deemed to be made by Procor to Customer.

6. AREA OF USE

Subject to paragraph 10 of this Agreement, Customer shall use the Cars exclusively in its own service within the boundaries of Canada, the United States (exclusive of Hawaii and Alaska) and/or Mexico.

7. COATINGS AND LININGS

If an internal coating or lining is required to be applied or installed in a Car on account of its proposed use by Customer and/or Regulations in effect from time to time of any governmental authority or railway industry authority, including any particular requirements of any railway company, having jurisdiction applicable to such Car prior to the initial use of such Car by Customer or

at any other time during the rental period with respect to such Car, **Customer**, based solely upon its expertise, shall select such coating or lining best suited for the purposes intended, including without limitation the protection of the interior of such Car. **Customer** acknowledges that statements made or information given by **Procor** to **Customer** with respect to coatings or linings prior to such selection were not representations or warranties by **Procor** or relied upon as such by **Customer**. Unless otherwise provided in the applicable Rider, **Customer** with prior written notice to **Procor** shall, at its risk and expense, apply or install such coating or lining and repair, maintain, remove and replace same, whether newly installed or previously used, as may be required on account of its use of such Car and/or such Regulations referred to above. Notwithstanding the provisions of paragraph 13 of this Agreement to the contrary, **Procor** shall not be liable for, and **Customer** shall be responsible for and indemnify **Procor** from and against, loss of or damage to commodities loaded in any Car, or loss of or damage to property, including without limitation the Cars, or loss incurred by or injury to any person or for any fine or penalty attributable to such coating or lining or its application or installation, repair, maintenance, removal or replacement.

8. LETTERING

No lettering or marking of any kind shall be placed upon any Car by **Customer** without the prior written consent of **Procor** except as may be required of **Customer** by this Agreement or by Regulations in effect from time to time of any governmental authority or railway industry authority, including any particular requirements of any railway company, having jurisdiction applicable to such Car. If requested by **Procor**, **Customer** shall remove any lettering or marking not required by such Regulations at the risk and expense of **Customer** prior to the return of such Car to **Procor** at the termination of the rental period with respect to such Car.

9. CLEANING

Except as otherwise provided in this Agreement, **Customer** shall be responsible, at its risk and expense, for any cleaning of any Car, whether performed by **Customer** or otherwise, as may be required for the proper shipment of commodities in such Car.

10. ASSIGNMENT

Customer shall not lend or sublease any Car or transfer or assign any of its rights or obligations, in whole or in part, under this Agreement without the prior written consent of **Procor**. The rights and obligations of **Customer** in the Cars and under this Agreement shall not be assignable or transferable by operation of law. Each loan or sublease of any Car shall be subject to the provisions of this Agreement. **Procor** and **Customer** agree that no loan, sublease, transfer or assignment of any Car or of any right or obligation under this Agreement shall relieve **Customer** of any of its obligations hereunder. **Customer**, however, shall have the right to lend or sublease any Car to its customers or suppliers for single trips without the prior written consent of **Procor**, provided that such loan or sublease shall not relieve **Customer** of any of its obligations under this Agreement and that **Procor** shall be entitled at any time to withdraw such right upon written notice to **Customer**.

11. RENTAL CHARGES AND OTHER SUMS PAYABLE BY CUSTOMER

A. Rental Charges

- (i) The rental charges and schedule of payment of such rental charges for the use of each Car payable by **Customer** to **Procor** during the rental period for such Car shall be mutually agreed upon between **Procor** and **Customer** and specified in the applicable Rider. Rental charges for each Car shall commence on the date of delivery of such Car and shall continue until such Car is returned to **Procor** at the termination of the rental period with respect to such Car except as otherwise provided in this Agreement. Accounts for such rental charges and other sums required to be paid by **Customer** to **Procor** pursuant to this Agreement shall be invoiced in accordance with the applicable schedule of payment by **Procor** to **Customer** and shall be payable in accordance with the terms and conditions of the applicable account.

Customer's obligation to pay such rental charges and other sums and Procor's right to receive same shall be absolute and unconditional and shall not be subject to any reduction, set-off or abatement for any reason whatsoever other than the abatement of rental charges and the application of mileage compensation credits by Procor to the account of Customer as described below.

Abatement of Rental Charges

- (ii) Rental charges for any Car reported as requiring any repairs or maintenance which are Procor's responsibility under this Agreement, other than such repairs or maintenance performed by any railway company, shall cease upon its arrival at Procor's repair shop or a repair shop designated by Procor provided Customer notifies Procor in writing of the movement of such Car prior to the time it is routed to such repair shop. In the event Customer fails to so notify Procor, rental charges for such Car shall continue for five days after arrival of such Car at such repair shop and then cease. Such prior notification to Procor shall not be required if such Car is sent to such repair shop by any governmental authority or railway industry authority, including a railway company, having jurisdiction in Canada or elsewhere applicable to such Car. After such necessary repairs or maintenance have been completed in respect of such Car, Procor shall provide Customer with written notice that such Car is available for forwarding to Customer and in every case rental charges for such Car shall resume as of the date of such notice. Rental charges for any Car in respect of which Procor elects to perform required Modifications pursuant to paragraph 4 (i) of this Agreement shall cease for the same period as specified above for a Car requiring repairs or maintenance which are Procor's responsibility under this Agreement. Rental charges for any Car shall not cease,

however, during periods required for the performance of all other Modifications and any repairs or maintenance to such Car which are **Customer's** responsibility under this Agreement. In addition, if any Car is destroyed or damaged beyond repair, rental charges for such Car shall cease as of the date of such destruction or damage.

Mileage Compensation

(iii) All mileage compensation allowed and paid by railway companies for the use of the Cars by **Customer** in respect of periods during which **Customer** is subject to the payment of rental charges for the use thereof under this Agreement shall be received and retained by **Procor** to the account of **Customer** without interest subject to **Procor's** obligation to credit same to **Customer** as herein provided. As soon as practicable after its receipt, **Procor** shall credit **Customer's** account with all such mileage compensation by applying same to the extent possible against rental charges and other sums payable by **Customer** to **Procor** under this Agreement in respect of the Cars as set out in the current account of **Customer**. Should any such mileage compensation not be so credited, **Procor** shall pay same to **Customer** without delay. Upon termination of this Agreement any such mileage compensation received by **Procor** and not so credited shall be paid by **Procor** to **Customer**. Notwithstanding anything to the contrary in this Agreement, **Customer** hereby waives its right to any such mileage compensation and to receive credit for same as provided above during any period in which it is in default under this Agreement as described in paragraph 18 below.

B. Excess Empty Mileage Charges

Should the empty mileage of the Cars exceed their loaded mileage, **Customer** shall pay **Procor** as an additional charge hereunder for any excess empty mileage on the basis of the terms set out in and at the rates established by the applicable tariffs then in effect. **Customer** agrees to pay such additional charge to **Procor** upon being furnished by **Procor** with written notice that **Procor** has been requested to pay for excess empty mileage.

C. Transportation Charges

Any transportation charges incurred or imposed in connection with the use or movement of a Car, including without limitation movement of such Car to and from railway repair shops, Procor's repair shops or those of its agents, or storage or terminal facilities, shall be for the account of Customer. Any switching, freight, demurrage, storage, special handling or detention charge incurred or imposed in connection with any Car shall be the liability of Customer. Customer's tracks shall be considered home tracks for the Cars.

12. ACCESSIONS

Any Modifications performed with respect to any Car for whatever reason shall be considered accessions to such Car and title thereto shall immediately vest in Procor. If requested by Procor, Customer shall, at Customer's risk and expense, remove any Modifications (other than those required to be made to any Car as a result of any new or revised Regulations referred to in paragraph 4 of this Agreement) prior to the return of such Car to Procor at the termination of the rental period with respect to such Car.

13. LIABILITY AND INDEMNITY

A. General

Procor shall not be liable for, and Customer shall be responsible for and indemnify Procor from and against,

- (i) loss of or damage to commodities loaded in any Car,
- (ii) loss of or damage to any Car or its parts (except any loading or unloading device) which occurs during any period when such Car is in the care, custody or control of Customer, its agent, sub-lessee, assignee, consignor, consignee, customer or supplier,

(iii) loss of or damage to any other property or loss incurred by or injury to or death of any person or

(iv) any fine or penalty

howsoever arising from the use or condition of any Car except to the extent that such loss, damage, injury, fine or penalty results solely from the negligence or willful misconduct of Procor. Procor shall not be liable in any event for any consequential damages, including without limitation loss of goodwill, loss of profit, loss of revenue or loss of use or interruption of business, howsoever arising from or associated with this Agreement.

B. Loss of or Damage to Loading and Unloading Devices on Cars

Procor shall not be liable for, and Customer shall be responsible for and indemnify Procor from and against, loss of or damage to any loading or unloading device of any Car howsoever arising unless such loss or damage occurs while such Car is located at a Procor repair shop or a repair shop of an agent of Procor and results solely from the negligence or willful misconduct of Procor or such agent.

C. Loss or Damage Due to Corrosion

Notwithstanding anything to the contrary in paragraphs 13 A. and 13 B. above, Procor shall not be liable for, and Customer shall be responsible for and indemnify Procor from and against any loss or damage to the environment or otherwise resulting from a spill of the contents of any car, loss of or damage to commodities loaded in any Car, or loss of or damage to property, including without limitation the Cars, or loss incurred by or injury to or death of any person or for any fine or penalty arising in the event any Car suffers any corrosion, erosion or other damage in any way connected with any commodity loaded or allowed to accumulate in or on such Car or to which such Car is exposed (such corrosion, erosion or other damage not being considered ordinary wear and tear for the purpose of this Agreement) whether or not such loss, damage, injury, fine or penalty results in whole or in part, from the negligence or willful misconduct of Procor.

D. Responsibility and Indemnity of Customer

The responsibility and indemnity of **Customer** provided for in paragraphs 13 A., and 13 B. and 13 C. above shall apply whether or not the loss, damage, injury, fine or penalty is due to **Customer's** negligence, willful misconduct or failure to perform, in whole or in part, any of its obligations under this Agreement.

14. TAXES AND LIENS

Customer shall pay **Procor** within thirty days after the date of a written request from **Procor**, in addition to any other sums due under this Agreement, an amount equal to the sum of all taxes, duties, assessments and other charges, domestic and foreign, of any authority having jurisdiction that may be now or hereafter levied against the Cars, the rental charges paid for the Cars or their use in any service under this Agreement. **Customer** shall reimburse **Procor** for all such taxes, duties, assessments and other charges referred to above paid by **Procor** and for all penalties, fines and interest related thereto which **Procor** is required to pay for any reason to any such authority. Nothing contained herein shall make or be deemed to make **Customer** liable for the income or corporate tax of **Procor**. **Customer** shall keep the Cars free from all liens and encumbrances other than those created by or resulting from the actions of **Procor**.

15. RETURN OF CARS

Customer shall be responsible for returning each Car to **Procor** so that such Car will arrive at its agreed upon point of delivery or such other point as may be mutually agreed upon by **Procor** and **Customer** in writing no later than the date upon which the rental period with respect to such Car otherwise terminates. **Customer** shall provide **Procor** with advance written notice of such return as stipulated in the applicable Rider. If a Car is not returned by the date upon which the rental period with respect to such Car otherwise terminates, **Customer** shall, in addition to any other liability of **Customer** arising from such failure, pay **Procor** an overholding charge

calculated at two times the applicable rental charges for such Car until same is returned. Nothing in this provision shall relieve Customer from the obligation to return such Car to Procor promptly and the payment of any such overholding charge shall not in any way be construed to entitle Customer to use such Car after such date. Subject to paragraph 12 of this Agreement and except as otherwise provided in this Agreement, Customer shall return each Car empty, clean and free of all residue, corrosion, erosion and other damage and otherwise in the same condition in which it was furnished by Procor at the commencement of the rental period with respect to such Car except for ordinary wear and tear and except for items which are Procor's responsibility to repair or maintain under this Agreement. Procor shall determine upon receipt of each Car whether Customer has returned such Car empty, clean and free of all residue. If Customer has failed to do so, Procor shall not accept the return of such Car and Customer shall, in addition to any other liability of Customer arising from such failure, continue to pay Procor the applicable rental charges for such Car until the required drainage and cleaning have been completed at Customer's risk and expense. Upon completion of any required drainage and cleaning of such Car and, if such drainage and cleaning were not performed by Procor, upon its subsequent receipt, Procor shall accept such Car and examine such Car as soon as reasonably practicable and if Procor determines that Customer has failed to return such Car to Procor in the required condition described above, Customer shall pay Procor for the repairs and maintenance which must be performed in order to put such Car in such condition.

16. TERM

This Agreement shall be effective as of the date first indicated above and shall expire upon the completion of the rental period of the last Car or Cars covered under a Rider, unless otherwise terminated at an earlier date pursuant to the provisions hereof. The termination of this Agreement shall not prejudice any rights or obligations which shall have accrued to either Procor or Customer pursuant to the provisions of this Agreement up to and including the date of its termination.

Unless otherwise terminated at an earlier date pursuant to the provisions hereof, the rental period with respect to each Car shall be the period mutually agreed upon between Procor and Customer specified in the applicable Rider and commencing on the date such Car is delivered to Customer.

by such taking of possession and agrees to pay Procor upon demand an amount equal to all losses, damages, costs and expenses, including without limitation cleaning charges, charges for repairing loss or damage to the Cars which are Customer's responsibility hereunder and court costs and reasonable lawyers' fees, incurred by Procor in repossessing, removing and reletting such Cars arising from Customer's default.

No failure of Procor to enforce any remedy available to it or delay of Procor in enforcing such remedy shall be deemed a waiver of any remedy of Procor or be considered to prohibit Procor from enforcing any such remedy. Customer agrees that the rights and remedies of Procor contained in this Agreement shall not be exclusive but shall be cumulative and in addition to all other rights and remedies existing at law or in equity available to Procor.

19. GOVERNING LAW

This Agreement and the rights and obligations of the parties shall be subject to and construed in accordance with the laws of the Province of Ontario.

20. FORCE MAJEURE

Subject to paragraph 5 A. of this Agreement, the performance of any undertaking or obligation (other than financial) of either party may be delayed or suspended at any time but only so long as such party is directly or indirectly prevented from performance by reason of any cause whatsoever beyond its control, including without limitation fire, lightning, tempest, windstorm, earthquake, flood, explosion, nuclear holocaust, the elements, failure or delay in transportation, failure or delay of suppliers, acts of God, acts of civil or military authorities, acts of the Queen's enemies, war, insurrection, sabotage, vandalism, riots, strikes, lockouts or other labour disturbances, embargoes, or the inability to obtain necessary labour, material, supplies or equipment and such party shall not incur any liability or be required to indemnify the other party for any loss, damage or inconvenience sustained by the other party as

a result of such delay in or suspension of performance and such delay in or suspension of performance shall neither extend the term of this Agreement generally or the rental period with respect to any Car nor constitute cause for termination of this Agreement. Neither party shall be required to settle any labour dispute or make any agreement affecting labour which in its judgement is not compatible with its best interests.

21. ENTIRE AGREEMENT AND AMENDMENTS

This Agreement represents the entire agreement of the parties relating to the subject matter hereof and supersedes all proposals, negotiations, representations, warranties, conditions and agreements, collateral or otherwise, oral or written, made prior to the execution hereof. No amendment of or addition to this Agreement shall be binding upon the parties unless in writing, having direct reference to this Agreement and executed by the parties.

22. WAIVER

No waiver or series of waivers by either party of any of the provisions of this Agreement shall be construed as an amendment hereof and the receipt by Procor of the rental charges and other sums then due and payable under the Agreement with knowledge of the breach of any undertaking or obligation herein contained shall not be deemed a waiver of any such breach. No waiver of any provision of this Agreement shall be deemed to have been made unless expressed in writing and signed by the party giving such waiver. No such waiver shall extend to or be taken to affect any other breach or default or any other rights of the party giving such waiver.

23. BENEFIT

This Agreement shall be binding upon and enure to the benefit of Procor, its successors and assigns and Customer, its successors and permitted assigns.

24. SEVERABILITY

If any provision of this Agreement, or any part thereof, shall be held to be invalid or unenforceable in Canada, the United States, Mexico, or any province, state or other political unit therein having jurisdiction, such provision, or part thereof, shall as to such jurisdiction be severable herefrom and of no force and effect without invalidating the remaining provisions hereof and this Agreement shall continue in full force and effect as if same had not been a part hereof. However, such finding in any jurisdiction shall not invalidate or render unenforceable such provision, or part thereof, in any other jurisdiction where same is not invalid or unenforceable.

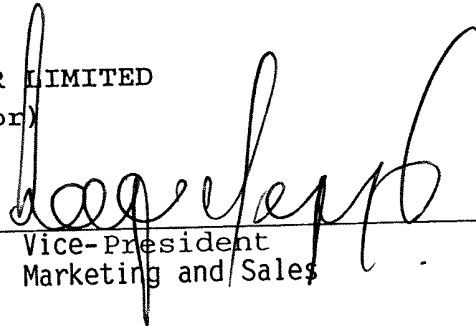
25. TITLES AND CONSTRUCTION

The titles used herein are inserted only for convenience and are not to be construed as part thereof or as a limitation of the scope of particular provisions hereof to which they refer or as an aid to the interpretation thereof. Whenever the singular and masculine gender are used in this Agreement, the same shall be construed as meaning the plural and feminine or neuter genders or vice versa where the fact or context so requires.

- ① LEASE COSTS: \$ 675.00 / CAR / MONTH *Custom Kinds*
PLUS TAXES
- ② TERM: MONTH TO MONTH - MINIMUM ONE MONTH.

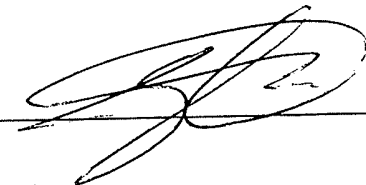
IN WITNESS WHEREOF the parties have executed this Rail Car Lease Agreement as of the date first above written.

PROCOR LIMITED
(Procor)

Per: 
Vice-President
Marketing and Sales

insert company name
(Customer)

Per: ENTROPE (UNITED INC)

 GENERAL MANAGER

PROCOR

Appendix "B"

The additional rent charge at the commencement of this Lease as set out in Appendix "A" attached hereto, is \$0.095 Cdn. and shall be determined thereafter by the following formula:

$$\text{Mileage Charge} = \$0.095 \text{ Cdn.} \times \frac{\text{Index of Repair Costs for January 1, in Period N}}{\text{Index of Repair Costs for January 1, 2012}}$$

The mileage charge per mile shall be determined January 1 of each calendar year during the term of this agreement.

Where:

- A) Period N is each succeeding calendar year.
- B) Index of Repair Costs = 8 x Cost Per RAC Job Code 1840
 + 10 x Cost Per RAC Job Code 4450
 + 32% x (Cost Per RAC Job Code 3336C1
 + RAC Job Code 3337C3 + 2 x RAC Job
 Code 4458)
- C) "RAC Job Code" means the Job Code as published quarterly by the Railway Association of Canada (RAC) in the "Car Repair Billing - Billing Regulation Price Matrices" and any revisions, amendments, supplements and divisions thereto issued to them from time to time by the RAC, or charges assessed by individual railways which are greater than RAC Code.

PROCORRider No. 4

Effective this twentieth day of December, 2012, this Rider shall become a part of the Rail Car Lease Agreement between PROCOR LIMITED, Procor, and ENTROPEX, Customer, dated August 27, 2001 and the cars described herein shall be leased to Customer subject to the terms and conditions in said Rail Car Lease Agreement during the term and for the rental shown below:

<u>Class or Type of Car</u>	<u>Approximate Capacity</u>	<u>Monthly Rental (Per Car)</u>
	<u>Cubic Feet</u>	
Twenty-three (23) specialty rail cars, covered hopper, AAR designation LO, equipped with ten (10) circular hatches, four (4) pneumatic outlets, internal coating and 100-ton roller bearing trucks.	5,820 c.f.	\$550.00 Cdn. Funds

See Appendix "A"

1. It is understood and agreed that all invoices covered by this agreement shall be payable net ten (10) days from the date of the invoice. It is further understood and agreed that Procor shall reserve the right to assess interest on overdue accounts at the prime rate plus 1.5% per annum calculated monthly.
2. At the end of each calendar year of this Rental Period, Procor shall determine the total number of miles that each car travelled during such calendar year, loaded and empty. If it is determined that any car travelled more than thirty thousand (30,000) miles during such calendar year, proportionately reduced for any car that does not rent for the complete calendar year, Customer agrees to pay Procor as additional rent for such calendar year, the sum of \$0.095 Cdn. multiplied by the number of miles in excess of thirty thousand (30,000) during such calendar year, proportionately reduced for any car that does not rent for the complete calendar year. Such \$0.095 Cdn. rate shall be subject to adjustment each year in accordance with the RAC formula attached as Appendix "B".

PROCOR

3. The term (also called "Rental Period") for each of the cars leased hereunder shall be as set out in Appendix "A" attached hereto.

Procor will provide Customer with ninety (90) days' notice of the forthcoming expiration of the lease term.

Notice, in writing, requesting cancellation shall be given by either party to the other at least sixty (60) days prior to the expiration of the initial term for the cars covered by this Rider.

If such notice is not provided, the cars will continue under lease after the expiration of the initial lease term on a month to month basis at the same rate and under the same conditions, subject to thirty (30) days' notice of cancellation by either party.

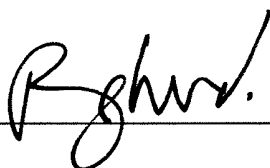
Thereafter, this Rider shall terminate upon the release of the last car covered by this Rider at the termination of this lease.

4. The Customer shall be responsible for all transportation, switching and any other costs associated with the movement and use of the cars during the duration of the lease.
5. In addition to clause 15 of said Agreement, Customer shall be responsible for all costs to clean and remove all residue from each car at the termination of the lease.
6. As approval of the originating line haul carrier(s) is required in order that cars may be placed in service pursuant to AAR Circular OT-5 and any revisions or successors thereto, Customer shall be responsible for obtaining such approval. Any costs associated with obtaining OT-5 approval will be the responsibility of Customer, if applicable. In no event shall Procor be liable if any such approval is not obtained for any reason or is withdrawn or modified and this Agreement shall continue in full force and effect notwithstanding such withdrawal or modification or the failure to obtain such approval.
7. Procor assumes responsibility for the installation, maintenance and renewal of the internal coating noted herein, however, if any damage to said coating is caused by Customer's negligence or abuse, responsibility will be to the account of Customer.
8. The cars noted herein are free to operate in Canadian Domestic, United States Domestic and International service between Canada and the United States.

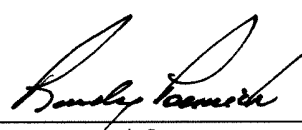
PROCOR

9. In the event of any conflict in the terms and provisions of this Rider and the Rail Car Lease Agreement, to which this Rider is attached and forms a part thereof, the terms and conditions of this Rider shall prevail.

ENTROPEX
(Customer)

By 

PROCOR LIMITED
(Procor)

By 
Vice President &
General Manager
Leasing Business Unit

PROCORAppendix "A" To Rider No. 4

<u>Car Number</u>	<u>Date Rental Period Begins</u>	<u>Date Rental Period Expires</u>
UNPX 122640	January 1, 2013	December 31, 2015
UNPX 122643	January 1, 2013	December 31, 2015
UNPX 122771	January 1, 2013	December 31, 2015
UNPX 122774	January 1, 2013	December 31, 2015
UNPX 122791	January 1, 2013	December 31, 2015
UNPX 122845	January 1, 2013	December 31, 2015
UNPX 122882	January 1, 2013	December 31, 2015
UNPX 122918	January 1, 2013	December 31, 2015
UNPX 123044	January 1, 2013	December 31, 2015
UNPX 123057	January 1, 2013	December 31, 2015
UNPX 123065	January 1, 2013	December 31, 2015
UNPX 123154	January 1, 2013	December 31, 2015
UNPX 123278	January 1, 2013	December 31, 2015
UNPX 123340	January 1, 2013	December 31, 2015
UNPX 123564	January 25, 2013	December 31, 2015
UNPX 123855	January 1, 2013	December 31, 2015
UNPX 123930	January 1, 2013	December 31, 2015
UNPX 123954	January 1, 2013	December 31, 2015
UNPX 124104	December 20, 2012	December 31, 2015
UNPX 124113	January 9, 2013	December 31, 2015
UNPX 124122	January 23, 2013	December 31, 2015
UNPX 124155	December 20, 2012	December 31, 2015
UNPX 124170	January 4, 2013	December 31, 2015

PROCOR

Procor Limited

2201 Speers Road
Oakville, ON L6J 5E1

Telephone: 905-847-0072
Fax: 905-847-2611
Internet: <http://procor.com>

Sent by email
November 23, 2015

Mr. Terry Lawrence, Shipping
Entropex Ltd.
1271 Lougar Ave.
Samia, On N7S5N5

Subject: Renewal of rider 004 UNPX hopper cars

Dear Sir,

On behalf of Procor, we are pleased to present this renewal proposal for the continued supply of the 23 UNPX plastics hopper cars. The rider will expire at the end of December, 2015, and we propose the following.

This letter serves to cancel the existing term and rental rate of the Rider.

We offer the following new REVISED lease term and rental rate beginning 1 January 2016:

TERM: RENTAL RATE per car per month:

3 years

~~\$ 600 Cdn~~
\$ 550 Cdn

Effective January 1, 2016 and applicable thereafter during the term of this Rider, the annual mileage limitation hereunder shall be 25,000 miles (loaded and empty) per car with a mileage charge of \$0.099 Cdn per mile being assessed for all such additional miles, this rate subject to an annual review in accordance with standard costs published by the Railway Association of Canada.

If you do not confirm in writing the stated new term and rental rate by 18/Dec/2015, we reserve the right to change this offer, charge you the proposed rate on a month-to-month basis, and/or offer the car(s) to others. If you do not wish to keep the car(s) under the new term and rental rate, please contact our office for disposition instructions. For your information, this lease requires a 60-day advance written notice to make the cars eligible for release.

To confirm your acceptance of this renewal offer, please sign below and return one copy of this letter to our office by email (scan copy) as soon as possible. This letter will then constitute

... page 2



PROCOR

Mr. Terry Lawrence

page 2

the revised term and rental rate for Rider 004 beginning 1 January 2016; all other terms and conditions will remain in full force and effect as stated in Rider 004.

Sincerely,

Wayne MacDonell

Wayne MacDonell

Manager Asset utilization
Procor

ACCEPTED:

By: David J. Myers 

Date: Jan 29 2016

Lease Term: 3 years.

Rate: \$ 550 per car per month.

*David J. Myers
Chief Operating Officer
Entrapex*

PROCOR

Procor Limited

2001 Speers Road
 Oakville, Ontario
 L6L 2X9
 INTERNET: <http://www.procor.com>

Telephone: (905) 827-4111
 Fax: (905) 827-0913

June 21, 2016

Mr. David Myers
 Entropex
 1271 Lougar Avenue
 Sarnia, Ontario
 N7S 5N5

Dear Mr. Myers:

**Subject: Rider No. 4
 Renewal of the twenty-three (23) and the addition of four (4) 5,820 cubic foot LO covered hopper cars presently covered by Rider No. 4 to our Rail Car Lease Agreement**

As agreed upon by both parties, this letter records the renewal and addition terms and conditions for the twenty-seven (27) cars noted above presently covered by Rider No. 4 to our Rail Car Lease Agreement dated August 27, 2001.

Listed below are the contract details of this renewal and addition which form part of Rider No. 4 to the Rail Car Lease Agreement:

- A) Effective Date of Renewal and Addition:** See Appendix "A" attached
B) Rental Period: See Appendix "A" attached
C) Monthly Rental Rate: \$600.00 Cdn. funds per car
D) Begin Date: See Appendix "A" attached
E) Expiry Date: January 31, 2017
F) Mileage Maximum: Miles in excess of 30,000 per calendar year for any car will be chargeable at \$0.105 Cdn. per mile subject to change January 1 of each year.
G) Interior Coating: Procor assumes responsibility for the installation, maintenance and renewal of the interior coating, however, if any damage to said coating is caused by Customer's negligence or abuse, responsibility will be to the account of Customer.
H) Proviso: It is understood and agreed that all invoices covered by this agreement shall be payable net ten (10) days from the date of the invoice. It is further understood and agreed that Procor shall reserve the right to assess interest on overdue accounts at the prime rate plus 1.5% per annum calculated monthly.
I) All other terms and conditions of Rider No. 4 will remain in full force and effect.

Please acknowledge these terms by signing and dating same where indicated below.

This signed letter constitutes an amendment to effective Rider No. 4.

Yours truly,



Randy Pocrnick
 Vice President &
 General Manager
 Leasing Business Unit

Accepted on Behalf of:
 ENTROPEX
 (Customer)

By: _____

Date: _____

PROCOR

Appendix "A" To Rider No. 4

<u>Car Number</u>	<u>Date Rental Period Begins</u>	<u>Date Rental Period Expires</u>
UNPX 122640	February 1, 2016	January 31, 2017
UNPX 122643	February 1, 2016	January 31, 2017
UNPX 122771	February 1, 2016	January 31, 2017
UNPX 122774	February 1, 2016	January 31, 2017
UNPX 122791	February 1, 2016	January 31, 2017
UNPX 122794	April 1, 2016	January 31, 2017
UNPX 122845	February 1, 2016	January 31, 2017
UNPX 122882	February 1, 2016	January 31, 2017
UNPX 122918	February 1, 2016	January 31, 2017
UNPX 123030	March 4, 2016	January 31, 2017
UNPX 123044	February 1, 2016	January 31, 2017
UNPX 123057	February 1, 2016	January 31, 2017
UNPX 123065	February 1, 2016	January 31, 2017
UNPX 123069	March 3, 2016	January 31, 2017
UNPX 123154	February 1, 2016	January 31, 2017
UNPX 123207	April 6, 2016	January 31, 2017
UNPX 123278	February 1, 2016	January 31, 2017
UNPX 123340	February 1, 2016	January 31, 2017
UNPX 123564	February 1, 2016	January 31, 2017
UNPX 123855	February 1, 2016	January 31, 2017
UNPX 123930	February 1, 2016	January 31, 2017
UNPX 123954	February 1, 2016	January 31, 2017
UNPX 124104	February 1, 2016	January 31, 2017
UNPX 124113	February 1, 2016	January 31, 2017
UNPX 124122	February 1, 2016	January 31, 2017
UNPX 124155	February 1, 2016	January 31, 2017
UNPX 124170	February 1, 2016	January 31, 2017





Government
of Canada

Gouvernement
du Canada

[Home \(/eic/site/cd-dgc.nsf/tpl-eng/./eng/home\)](#)

→ [Railway Documents \(/eic/site/cd-dgc.nsf/tpl-eng/./eng/h_cs05835.html\)](#)

→ [Official document repository \(/app/scr/sbms/corp/rgofldoc/dashboard.html\)](#)

Print search results - Railway Tool

Search field:	<i>All including the document text</i>
Search term:	<i>Procor</i>
Search date operator:	<i>and</i>
Search date type:	<i>Document date</i>
Search date from:	<i>2000-01-01</i>
Search date to:	<i>2016-08-04</i>

22 Documents were found

1.

Memorandum of Security Interest and Collateral Assignment of Lease

I hereby certify that this document was deposited In the Office of the Registrar General of Canada on t
he -IL day of 20 MEMORANDUM OF SECURITY INTERES

Document number: 22633 | **Document type:** Railway | **Document date:** 2013/09/17

Legislative reference: CTA105

Document parties:

- Compass Rail XIV Corporation

Deposit date: 2013/09/17

2.

Third Supplemental Indenture

Exceution Copy THIRD SUPPLEMENTAL INDENTURE This THIRD SUPPLEMENTAL INDENTUR

Document number: 20904 | **Document type:** Railway | **Document date:** 2010/05/28

Legislative reference: CTA105

Document parties:

- Procor Limited
- Computershare Trust Company of Canada

Deposit date: 2010/06/03

3.

Railcar Lease Agreement Lease Supplement

Execution Copy RAILCAR LEASE AGREEMENT LEASE SUP

Document number: 20903 | **Document type:** Railway | **Document date:** 2010/05/28**Legislative reference:** CTA105**Document parties:**

- Procor Limited
- Nova Chemicals Corporation

Deposit date: 2010/06/03

4.

Bill of Sale

Execution Version BILL OF SALE This BILL OF SALE is effective as of May 28, 201

Document number: 20901 | **Document type:** Railway | **Document date:** 2010/05/28**Legislative reference:** CTA105**Document parties:**

- Procor Limited

Deposit date: 2010/06/03

5.

Second Supplemental Indenture

Execution Copy TIUS SECOND SUPPLEMEENTAL INDENTTTJRE dated as of the 1st day of January, 2008 BETWEEN:

Document number: 19102 | **Document type:** Railway | **Document date:** 2008/01/01**Legislative reference:** CTA105**Document parties:**

- Procor Limited
- Computershare Trust Company of Canada

Deposit date: 2008/01/24

6.

Supplemental Lease Agreement

Execution Copy SUPPLEMENTAL LEASE AGREEMENT SUPPLEMENTAL LEASE AGREEMENT dated

Document number: 19101 | **Document type:** Railway | **Document date:** 2008/01/01**Legislative reference:** CTA105**Document parties:**

- Procor Limited

- Nova Chemicals Corporation

Deposit date: 2008/01/24

7.

Partial Termination and Release of Security Interests

a!/08/2008 15:49 7060220 BNYMEH ON PAGE 01/02 PARTIAL TERM

Document number: 19079 | **Document type:** Railway | **Document date:** 2008/01/08

Legislative reference: CTA105

Document parties:

- The Bank of New York

Deposit date: 2008/01/10

8.

Acknowledgement and Authorization

ACKNOWLEDGEMENT AND AUTHORIZATION FROM THE R-M TRUST COMPANY TO: Procor Limited

Document number: 18028 | **Document type:** Railway | **Document date:** 2006/12/05

Legislative reference: CTA105

Document parties:

- Procor Limited
- Union Tank Car Company
- The R-M Trust Company

Deposit date: 2006/12/07

9.

Schedule B to Memorandum - Bill of Sale

SCHF,DULF, B TO MEMORANDUM - BILL OF SALE KNOW YE ALL PERSONS BY TRESE PRESENT S

Document number: 17526 | **Document type:** Railway | **Document date:** 2006/05/26

Legislative reference: CTA105

Document parties:

- Procor LP

Deposit date: 2006/05/30

10.

Trust Indenture Supplement

Execution Copy TRUST INDENTURE SUPPLEMENT This TRUST INDENTURE SUPPLEMENT effective Decemb

Document number: 16350 | **Document type:** Railway | **Document date:** 2004/12/23

Legislative reference: CTA105

Document parties:

- Procor Limited
- Computershare Trust Company of Canada

Deposit date: 2005/01/13

11.

Bill of Sale

BILL OF SALE Reference is hereby made to the Railcar Lease Agreement (the "Lease Agreement") effective

Document number: 16349 | **Document type:** Railway | **Document date:** 2004/12/23

Legislative reference: CTA105

Document parties:

- Nova Chemicals Corporation

Deposit date: 2005/01/13

12.

Bill of Sale

BELL OF SALE Reference is hmbly made to the Railcar Lease Agreemmt (the "Lease Agreementl effective

Document number: 16348 | **Document type:** Railway | **Document date:** 2004/12/23

Legislative reference: CTA105

Document parties:

- Procor Limited

Deposit date: 2005/01/13

13.

Lease Supplement Agreement

Executiou Copy RAMCAR LFASE AGREEMENT LEASE S

Document number: 16347 | **Document type:** Railway | **Document date:** 2004/12/23

Legislative reference: CTA105

Document parties:

- Procor Limited
- Nova Chemicals Corporation

Deposit date: 2005/01/13

14.

Summary of Amendment

SUMMARY OF AMENDMENT AMENDMENT TO TRUST INDENTURE BETWEEN PROCOR LIMITED
(Issuer) (as it then

Document number: 14565 | **Document type:** Railway | **Document date:** 2003/03/06

Legislative reference: CTA105

Document parties:

- Nova Chemicals Corporation
- Montreal Trust Company of Canada
- Computershare Trust Company of Canada
- Procor Limited

Deposit date: 2003/03/06

15.

Memorandum of Lease Termination and Equipment Disposition

(Procor / CN) MEMORANDUM OF LEASE TERMINATION AND EQUIPMENT DISPOSOMON da

Document number: 13833 | **Document type:** Railway | **Document date:** 2001/11/13

Legislative reference: CTA105

Document parties:

- Procor Limited
- Canadian National Railway Company

Deposit date: 2001/12/20

16.

Release, Reconveyance and Statement of Trustee

RELEASE, RECONVEYANCE AND STATEMENT OF TRUSTEE dated as of November 13, 2001 W

Document number: 13832 | **Document type:** Railway | **Document date:** 2001/11/13

Legislative reference: CTA105

Document parties:

- Montreal Trust Company of Canada

Deposit date: 2001/12/20

17.

Trust Indenture

PROCOR LIMITED ISSUER - and - MONTREAL TRU

Document number: 12640 | **Document type:** Railway | **Document date:** 2000/06/29

Legislative reference: CTA105

Document parties:

- Montreal Trust Company of Canada

- Procor Limited

Deposit date: 2000/06/26

18.

Railcar Lease Agreement Lease Supplement

RAELCAR LEASE AGREEMENT LEASE SUPPLEMENT This LEASE SUPPLEMENT effective June 29

Document number: 12639 | **Document type:** Railway | **Document date:** 2000/06/29**Legislative reference:** CTA105**Document parties:**

- Nova Chemicals Corporation

- Procor Limited

Deposit date: 2000/06/26

19.

Railcar Lease Agreement

PROCOR LEMNED as Lessor

Document number: 12638 | **Document type:** Railway | **Document date:** 2000/06/29**Legislative reference:** CTA105**Document parties:**

- Nova Chemicals Corporation

- Procor Limited

Deposit date: 2000/06/26

20.

Bill of Sale

BILL OF SALE Reference is hereby made to the Railcar Lease Agreement (the "Lease Agreement") effective

Document number: 12637 | **Document type:** Railway | **Document date:** 2000/06/29**Legislative reference:** CTA105**Document parties:**

- Nova Chemicals Corporation

Deposit date: 2000/06/26

21.

Memorandum of Lease Termination and Equipment Disposition

SLX / CN Lease # 16 MEMORANDUM OF LEASE TERMINATION AND EQUIPMENT DISPOSITION

Document number: 12433 | **Document type:** Railway | **Document date:** 2000/04/01

Legislative reference: CTA105

Document parties:

- SLX Canada Inc.
- Canadian National Railway Company

Deposit date: 2000/04/07

22.

Bill of Sale

.@@rq O@ 41 STATE OF ILLINOIS) COUNTY OF COOK CERTIFICATE The undersigned, Jean Fowler,

Document number: 12401 | **Document type:** Railway | **Document date:** 2000/01/12

Legislative reference: CTA105

Document parties:

- The Royal Trust Company

Deposit date: 2000/03/20

Date modified:

2016-06-08



KENWORTH T800

Rental Agreement

R00257

Customer ENTROPEX	Job Site Location
Address 1271 LOUGAR AVENUE	
City/State/Province/Zip SARNIA, ONTARIO N7S 5N5	
Ordered By RYAN TRUSLER PO #	Rental Start Date NOVEMBER 27, 2014
Phone # 519-332-0430 Fax #	Salesman

EQUIP			RENTAL RATES		
Unit #	Serial Number	Description	Daily	Weekly	Monthly
8675	14-09G-6010	GUZZLER CLASSIC			\$11,000.00
		TELE BOOM WASH			

DRY / PICK UP

Customer Pick-Up/Return Drive Away Service Drive Away Charges \$ **0** (Each Way)

Del Loc/Comments _____

Pick Up Loc/Comments _____

TERMS / PAYMENT INFO (\$ CAN)

Payment Due In Advance \$ **11,000.00** Check # _____

Security Deposit \$ _____ Credit Card Type _____

Other Charges \$ _____ Lease Purchase Option _____ (see separate contract)

Total Amount Due In Advance \$ **12,430.00**

Additional Terms / Conditions / Comments: _____

INSURANCE REQUIREMENTS

Valid Blanket Certificate on file Customer required to furnish certificate

The following information must be listed on non-blanket certificates, see Minimum Requirements and example cert for more info.

Chassis VIN # **1NKDL70X1FJ438310** Year **2015**

Equipment Replacement Value \$ **296,789.51** (Must be listed on non-blanket certificates)

UNIT INFO	OUT	IN
Chassis Mileage	933 mi	
Hub Mtr	N/A	
Engine Hours	31.1	
Blower Hours	N/A	

**** Rental Unit Customer Responsibilities ****

Qualified/Trained Operator - Maintain IFTA Requirements
 Maintain Valid Insurance - Flat Tires - Lubrication/Mfg
 Recommended Maintenance - Emptying and Washout of
 Debris Tank-Damage/Abuse - Refueling Tank
 General Clean Up - Customer Required to Display Own Dot #

Questions or Concerns Call 1-888-818-8882

** I have read and understand Lease Terms & Conditions. It is further understood that this agreement is not considered valid and binding until approved and accepted by our Corporate Offices.

Sign Out Date **4/20/14** Name Printed **RYAN TRUSLER** Signature *[Signature]*

Sign In Date _____ Name Printed _____ Signature _____

***Note: Send all fax correspondence to the Rental Dept. at 888-964-8862



RENTAL TERMS AND CONDITIONS

Lessor rents to lessee the equipment described on the rental agreement subject to the provisions herein. Lessee refers to the person signing this agreement, his employer or partner, and any other person or organizations to whom charges are to be billed, all of whom shall be jointly and severally liable hereunder.

OWNERSHIP - The equipment is the property of lessor and is to be returned to the place where rented at the end of the rental term, in the same general condition as when received, excepting ordinary wear and tear. If lessee fails to make any payment when due, attempts to sell or encumber the equipment, causes operation, mistakes or loss, institutes against him proceedings under bankruptcy or insolvency law, makes an assignment for the benefit of creditors, or fails to comply with any other provision of this rental agreement, or if any attachment, execution, writ or process is issued against the equipment or any of lessee's property, or if for any reason lessor deems itself insecure in the equipment, lessee agrees to deliver the equipment to lessor on demand and to indemnify lessor for any loss or damage to the equipment, or if for any reason lessor deems itself insecure in the equipment, lessee agrees to deliver the equipment to lessor on demand and to indemnify lessor for any loss or damage to the equipment, or if for any reason lessor deems itself insecure in the equipment, lessee agrees to deliver the equipment to lessor on demand and to indemnify lessor for any loss or damage to the equipment.

TERMS - Lessee shall pay all rental, time, mileage, service, transportation, reueling and other charges in accordance with this agreement, all sales and use taxes and expenses. The stipulated rental rate applies to 40 hours/week, 176 hours/month operation. Excess usage will be prorated here the stipulated rental rate and then, plus taxes, will be charged. Lessor shall have a lien, as allowed by law, for charges incurred hereunder upon principal and improvements upon which equipment is employed. Rentals are payable to the office shown on this agreement unless otherwise specified. Lessee pays all shipping, loading, unloading, unloading and demurrage expense.

USE - Equipment shall be used solely in accordance with its design and only within its rated capacity by competent personnel in a safe and careful manner. Equipment shall not be used to carry persons for hire or to carry persons other than those employed by lessee (and these shall be carried within the cab) and then only if such carriage is lawful and transportation property for hire unless lessee obtains all necessary permits and licenses from lessor by lease or otherwise, or if used in furtherance of any illegal purpose. All use of equipment is without lessor's permission. In violation of the paragraph, or if obtained from lessor by fraud or misrepresentation, or if used in furtherance of any illegal purpose, all use of equipment is without lessor's permission.

MAINTENANCE - Lessee shall perform and pay for all normal periodic service, adjustments and lubrication of equipment before each shift such as checking and maintaining proper levels in cranks, transmissions, fuel oil, steering gear box, radiator, tire pressure and batteries in accordance with the supplied service and operation manuals. If equipment fails to operate properly or if it needs repair, lessee shall cause repair immediately and notify lessor.

INSURANCE - Lessee will purchase and maintain in force during the term of this agreement in effect, insurance policies in at least the amounts listed below, covering the equipment between the time of delivery thereof to Lessee and return to Lessor for disposition. Said insurance shall be written by an insurance company or companies of adequate financial responsibility acceptable to Lessor, based on Lessee's annual net income, damage, claims, suits, actions or liability, caused by or controlled by or committed by any use of the equipment by or negligence of Lessee or any of Lessee's agents, servants, visitors, licensees or employees during the lease term. The insurance shall be evidenced by endorsement name Lessor as an additional insured and loss payee. Each endorsement or endorsement shall provide in each case that said insurance during the term of this agreement shall give to lessor at least 60 days' notice in writing of proposed cancellation, modification or alteration of any said insurance.

Type	Amount (\$ CAN)
Commercial General Liability	\$1,000,000 per occurrence, with a general aggregate of \$2,000,000.
Products - Completed Operations Aggregate	\$2,000,000
Automobile Liability	\$1,000,000
Lessee/Job-site Liability	\$1,000,000 each occurrence
Workers' Compensation/Employees Liability	
E.L. Each Accident	\$800,000
E.L. Disease - EA Employees	\$500,000
E.L. Disease - Policy Limit	\$800,000

Lessee shall furnish Lessor with a copy of the policies referred to above, or other evidence thereof acceptable to Lessor. Policies covering the aforementioned fire and theft and collision insurance shall bear endorsements to the effect that proceeds thereof shall be payable to Lessor and Lessee as their interests may appear. Lessor shall, on demand, furnish lessor a certificate of such insurance which may not be cancelled or reinstated except on twenty (20) days prior written notice to lessor. Lessee agrees to abide by the provisions of said policy and to notify Lessor and the insurer of any accident or occurrence involving equipment immediately by telephone and thereafter to promptly report to them in writing all information relevant thereto. Lessee, its agents and employees shall cooperate fully with lessor and insurer in the investigation, presentation and defense of any claim or suit and shall do nothing to impair or invalidate the applicable insurance coverage. Lessor's sole responsibility in the event of an accident or occurrence involving equipment shall not be a waiver of lessor's insurance obligations hereunder. Lessee shall also keep the equipment insured for its total present value against any loss or damage through accident, fire, weather condition, theft or collision destruction and any other insurable risks. Lessee shall defend, indemnify and hold harmless lessor, its subsidiary and affiliated companies, their officers, agents and employees, against all loss, liability, and expense, including reasonable attorney's fees, by reason of liability injury, including death and property damage sustained by any person or persons, including but not limited to employees of lessor as a result of the maintenance, operation, use, operation, storage, erection, dismantling and transportation of equipment, whether such liability injury death or property damage (as does or claimed to be due to any negligence of lessor, employees or agents of lessor) or otherwise.

REGULATIONS - Lessee shall, at his expense, comply with all local, state and federal laws and regulations affecting equipment and its use, operation, erection, dismantling and transportation, including all federal and local Department of Transportation regulations, licensing and building code requirements and shall defend, indemnify and hold harmless lessor from all loss, liability or expense resulting from actual or alleged violation of such laws, requirements or regulations.

RENTAL CONTRACT - This is a rental contract only and lessee shall not assign it. Lessee is not an agent or employee of lessor for any purpose. Lessee shall not suffer any loss or inconvenience to which equipment and shall defend, indemnify and hold lessor harmless from all loss, liability and expense by reason thereof. Use of equipment by others than lessee or its employees, approved in writing in advance by lessor, shall be at lessor's sole risk. Lessor shall not be liable for loss or damage to any property left, stored, loaded or transported by lessee or any other person in or upon equipment, whether or not due to the negligence of lessor, its agents and employees. (a) at any time whether equipment then be in the physical possession of lessee or lessor or anyone else; (b) or at any place including without limitation any of lessor's garages or locations. Lessee hereby assumes all risk of such loss or damage, harm and expense all loss, liability and expense caused or arising out of lessee's failure to comply with the terms of this agreement.

RECOVERY - Lessor shall have the right to seize and dispose of the equipment if it is not returned at the time specified herein, or sooner as permitted by the terms of this agreement. Lessee hereby releases and agrees to indemnify lessor against all claims for damages or losses which lessor or any other party may sustain as a result of any action taken by lessor under the preceding sentence. All charges are subject to final audit.

LOSS - In the event of loss, theft or damage to equipment, lessee agrees to notify lessor immediately by telephone, and thereafter to promptly report in writing to lessor and the public authorities (where required by law or by lessor) all information relating thereto. Lessee shall cause its agents and employees to give lessor and the public authorities proper and full information and assistance in the investigation and prosecution of any matter resulting from said loss, theft or damage.

REPAIRS - When provided to lessee, equipment is believed to be in good mechanical condition. Lessee shall examine equipment upon delivery and promptly notify lessor of any evidence to the contrary. If, during lessee's use of the equipment during the term of this agreement, or any extension thereof, equipment is found not to be in good mechanical condition as a result of conditions not the responsibility of or caused by the fault or negligence of lessor, its employees or agents (including but not limited to a failure of lessee to service, adjust and lubricate equipment) lessee will notify lessor who at its option will (a) repair or suitably replace equipment (within a reasonable time during lessor's normal working hours, the commencement or renewing of the term of this agreement to be taken for the period equipment is down or, (b) remove equipment and terminate this agreement by mutual agreement of rental charges if any, for the unexpired agreement term, less whatever is due lessor for damage to or maintenance of equipment which is lessor's responsibility. Lessee agrees to provide full access to equipment to lessor's representatives so as to enable lessor to meet its responsibilities hereunder.

Conversely, repairs required as a result of damage, improper operation, or maintenance will be charged to lessee and rental will continue until repairs are completed. Unless this agreement is accompanied by a separate tie or track wear agreement, lessee will be responsible and charged for cuts, tears, punctures, bruises and separation of tire or unusual wear or damage to tracks. In this regard, any expense incurred for field travel, mechanics time or hauling of equipment to effect repairs will be charged to lessee.

Notwithstanding the previous paragraph, lessee agrees to indemnify lessor to subsidiaries and affiliated companies and their officers, agents and employees to the extent provided in the other terms and conditions of this agreement.

THE FOREGOING IS IN LIEU OF (A) ALL WARRANTIES EXPRESS IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (B) ALL OBLIGATION OR LIABILITIES ON THE PART OF LESSOR FOR DAMAGES, INCLUDING BUT NOT LIMITED TO INDIRECT, INCIDENTAL, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE LEASING MAINTENANCE, USE, OPERATION, STORAGE, ERECTION, DISMANTLING OR TRANSPORTATION OF EQUIPMENT.

Any failure of performance by lessor which is due to causes beyond lessor's control, including but not limited to acts of civil or military authority, Acts of God, labor difficulties, failure of transportation, and delays of supplies is not deemed to be a default by lessor.

INTEREST - Includes unpaid within the terms of lessor's invoice will accrue interest at the rate of 1 1/4% per annum.

REFUELING - Lessee agrees to return equipment with the same amount of fuel as when rental began, otherwise lessee will be charged for reueling upon return.

CARRIAGE - If lessor arranges transportation of equipment on behalf of lessee, lessor is not responsible in any way for delays in arrival or pick up dates or loss of equipment.

COMPLETE AGREEMENT - This instrument expresses the entire agreement between the parties. Lessee's execution of this instrument and its acceptance of delivery of any part of equipment to be furnished hereunder will constitute lessee's acceptance of the provisions contained herein and the exclusion of any terms and conditions otherwise stated by lessee or contained in lessor's purchase documents which conflict with or vary the provisions contained herein.

I have read, understand and agree to the above terms and conditions. I am authorized to sign this agreement on behalf of the company I represent.

Signature: Ryan Tausler Printed Name: Ryan Tausler Date: 11/20/14

S.C.F. No. 1
Lessee's Insurance Undertaking
 (Attached to and Forming Part of the Lease Contract)
 (Ontario, Alberta, Newfoundland, Labrador, Prince Edward Island,
 Northwest Territories, Yukon and Nunavut)

During the term of the lease contract commencing

29 NOVEMBER 2014 and ending 19 APRIL 2015
 Day Month Year Day Month Year

and any extension thereof, whereby I/we, the lessee of the following automobiles:

Year	Make	Model	Serial Number
2015	GUZZLER	CLASMTTBWD	14-093-6010

owned by Victoria Trucks of Canada

(hereinafter called the lessor), agree to effect and maintain a Standard Automobile Policy (Owner's Form), including S.E.F. No. 5 - Permission to Rent or Lease Endorsement (specified lessee including modified application - separate policy) in the name of the lessor with respect to the above described automobiles for the following perils, limits and amounts.

INSURING AGREEMENTS		PERILS	LIMITS AND AMOUNTS
SECTION A THIRD PARTY LIABILITY		LEGAL LIABILITY FOR BODILY INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO PROPERTY	\$ 2,000,000 (EXCLUSIVE OF COSTS AND POST JUDGMENT INTEREST) FOR LOSS OR DAMAGE RESULTING FROM BODILY INJURY TO OR THE DEATH OF ONE OR MORE PERSONS, AND FOR LOSS OR DAMAGE TO PROPERTY, REGARDLESS OF THE NUMBER OF CLAIMS ARISING FROM ANY ONE ACCIDENT.
SECTION B ACCIDENT BENEFITS	BLB SEC 1	PAYMENTS FOR DEATH OR BODILY INJURY	AS STATED IN SECTION B OF THE POLICY OR \$ _____ EACH PERSON
	2		AS STATED IN SECTION B OF THE POLICY OR PRINCIPAL \$ _____ MAXIMUM WEEKLY BENEFIT \$ _____
	3	UNINJURED MOTORIST	AS STATED IN SECTION B OF THE POLICY
SECTION C LOSS OF OR DAMAGE TO OWNED AUTOMOBILES	BLB SEC 1	ALL PERILS	\$ _____ AMOUNT DEDUCTIBLE ON EACH SEPARATE CLAIM EXCEPT FOR LOSS OR DAMAGE BY FIRE OR LIGHTNING OR THEFT OF THE ENTIRE AUTOMOBILE.
	2	COLLISION OR UPSHIFT	\$ _____
	3	COMPREHENSIVE EXCEPT FOR COLLISION OR UPSHIFT	\$ _____
	4	SPECIFIED PERILS (EXCLUSIVE OF COLLISION OR UPSHIFT)	\$ _____
ENDORSEMENTS			

I/we agree to deliver or cause to be delivered to the lessor, within the 30 day period immediately following the date of the delivery of the automobile(s) to me/us such insurance policy and any endorsements and certificates applicable thereto.

I/we agree to deliver or cause to be delivered to the lessor, within the 15 day period immediately following the expiry or termination date of such policy, written evidence of the renewal or replacement of such policy.

I/we further agree and acknowledge that, should I/we fail to comply with this Lessee's Insurance Undertaking, I/we shall reimburse the lessor for all amounts they would not otherwise be liable to pay.

 (Witness)

Ryan [Signature]
 (Lessee or authorized official of lessee)
Controller
 (Title of official of lessee)

Signed at SARAS

Date 11/20/14

Intact Insurance Company
London ON

NAME AND ADDRESS OF INSURANCE COMPANY / NOM ET ADRESSE DE LA COMPAGNIE D'ASSURANCE
NAME AND ADDRESS OF INSURED / NOM ET ADRESSE DE L'ASSURÉ

UNITEC INC. o/a ENTROPEX
1271 Lougar Ave, Samia ON N7S 5N5

INSURED VEHICLE - YEAR, MAKE, SERIAL NO. / VÉHICULE ASSURÉ - ANNÉE, MARQUE, SÉRIE
2015 KENWORTH T800 1NKDL70X1FJ438310

EFFECTIVE DATE / DATE D'ENTRÉE EN VIGUEUR: November 26, 2014
EXPIRY DATE / DATE D'EXPIRATION: August 1, 2015

POLICY NUMBER / POLICE NUMÉRO: 7Z9958594
AGENT: *Gamble Insurance*

MOTOR VEHICLE LIABILITY INSURANCE CARD
CERTIFICAT D'ASSURANCE - AUTOMOBILE RESPONSABILITÉ
CANADA INTER-PROVINCE
APPLICABLE WITHIN CANADA AND THE UNITED STATES OF AMERICA
EN VIGUEUR AU CANADA ET AUX ÉTATS-UNIS D'AMÉRIQUE

This certificate is subject to the terms and conditions of the insurer's standard automobile policy.

This certifies that the parties named herein is insured against liability for bodily injury and property damage by reason of the operation of the motor vehicle described herein, in an amount not less than the statutory minimum requirements in any area of Canada.

WARNING - any person who issues or produces a card to show that there is in force a policy of insurance as indicated herein that is in fact not in force is liable to a heavy fine and/or imprisonment and his licence may be suspended.

This card should be carried in the insured vehicle for production as proof of insurance when demanded by police.

Le présent certificat est assujéti aux dispositions et conditions de la police d'assurance automobile de l'Assureur.

Ce certificat atteste que la personne susnommée est assurée contre la responsabilité pour blessures et dommages aux biens découlant de l'usage du véhicule ci-décrié, conformément aux limites minimales exigées par les lois d'assurance en vigueur partout au Canada.

AVERTISSEMENT - Quiconque émet ou présente un tel certificat comme preuve d'une police d'assurance-responsabilité qui effectivement n'est pas en vigueur, est coupable d'une infraction passible d'une forte amende et/ou d'emprisonnement et suspension de son permis.

Ce certificat doit être laissé dans le véhicule assuré afin d'être présenté comme preuve d'assurance lorsque la police l'exige.

VOID

NAME AND ADDRESS OF INSURANCE COMPANY / NOM ET ADRESSE DE LA COMPAGNIE D'ASSURANCE
NAME AND ADDRESS OF INSURED / NOM ET ADRESSE DE L'ASSURÉ

INSURED VEHICLE - YEAR, MAKE, SERIAL NO. / VÉHICULE ASSURÉ - ANNÉE, MARQUE, SÉRIE

EFFECTIVE DATE / DATE D'ENTRÉE EN VIGUEUR
EXPIRY DATE / DATE D'EXPIRATION

POLICY NUMBER / POLICE NUMÉRO
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CERTIFICATE OF INSURANCE				ISSUE DATE (MM/DD/YY) 11/12/2014																	
BROKER  <p>HUB International HKMB Limited 595 Bay Street, Ste 900 Toronto, ON M5G 2E3 PHONE: 416-597-0808 FAX: 416-597-2313</p>		This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.																			
INSURED'S FULL NAME AND MAILING ADDRESS Entropex L.P. 1271 Lougar Avenue Scarba, ON N7B 5N5		Company A		Royal & Sun Alliance Ins. Co. of Canada																	
		Company B																			
		Company C																			
		Company D																			
		Company E																			
COVERAGES																					
This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated, not withstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain. The insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.																					
TYPE OF INSURANCE	CO LTR	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS OF LIABILITY <small>(Canadian dollars unless indicated otherwise)</small>																
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCURRENCE <input checked="" type="checkbox"/> PRODUCTS AND/OR COMPLETED OPERATIONS <input checked="" type="checkbox"/> PERSONAL INJURY <input checked="" type="checkbox"/> EMPLOYER'S LIABILITY <input checked="" type="checkbox"/> TENANT'S LEGAL LIABILITY <input checked="" type="checkbox"/> NON-OWNED AUTOMOBILE <input checked="" type="checkbox"/> HIRED AUTOMOBILE	A	8140800	11/01/2014	11/01/2015	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td style="text-align: right;">\$ 10,000,000</td></tr> <tr><td>PRODUCTS - COMP/OP AGGREGATE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>PERSONAL INJURY</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>EMPLOYER'S LIABILITY</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>TENANT'S LEGAL LIABILITY</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>NON-OWNED AUTOMOBILE</td><td style="text-align: right;">\$ 2,000,000</td></tr> <tr><td>HIRED AUTOMOBILE</td><td style="text-align: right;">\$ 50,000</td></tr> </table>	EACH OCCURRENCE	\$ 2,000,000	GENERAL AGGREGATE	\$ 10,000,000	PRODUCTS - COMP/OP AGGREGATE	\$ 2,000,000	PERSONAL INJURY	\$ 2,000,000	EMPLOYER'S LIABILITY	\$ 2,000,000	TENANT'S LEGAL LIABILITY	\$ 2,000,000	NON-OWNED AUTOMOBILE	\$ 2,000,000	HIRED AUTOMOBILE	\$ 50,000
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AUTOMOBILE LIABILITY <input type="checkbox"/> DESCRIBED AUTOMOBILES <input type="checkbox"/> ALL OWNED AUTOMOBILES <input type="checkbox"/> LEASED AUTOMOBILES ** <input type="checkbox"/> GARAGE LIABILITY <small>**ALL AUTOMOBILES LEASED IN EXCESS OF 30 DAYS WHERE THE INSURED IS REQUIRED TO PROVIDE INSURANCE</small>					<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>BODILY INJURY</td><td style="text-align: right;">\$</td></tr> <tr><td>PROPERTY DAMAGE COMBINED</td><td style="text-align: right;">\$</td></tr> <tr><td>BODILY INJURY (Per person)</td><td style="text-align: right;">\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td>PROPERTY DAMAGE</td><td style="text-align: right;">\$</td></tr> </table>	BODILY INJURY	\$	PROPERTY DAMAGE COMBINED	\$	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE	\$						
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OTHER (SPECIFY) Property and Boiler All Risk	A	8140800	11/01/2014	11/01/2015	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td>Property of Every Description</td><td style="text-align: right;">\$ 300,000</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	Property of Every Description	\$ 300,000		\$		\$		\$		\$						
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DESCRIPTION OF OPERATIONS/LOCATIONS/AUTOMOBILES/SPECIAL ITEMS/ ADDITIONAL INSURED This Certificate is issued as confirmation of existing coverages only, and confers no rights upon the Certificate Holder.																					
CERTIFICATE HOLDER Vacuum Trucks of Canada ULC P.O. Box 15493 Toronto, ON M5W 1C1			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOUR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Per:  Page 1 of 1																		



TRUCK LEASE and SERVICE AGREEMENT

This Agreement is dated as of the 30th day of June 2015, by and between RYDER TRUCK RENTAL CANADA LTD., an Ontario corporation, with its principal place of business at 2233 Argentia Road, Suite 300, Mississauga, ON L5N 2X7 ("Ryder") and Entropex Corporation Inc., an Ontario corporation with its principal place of business at 1271 Lougar Ave. SARNIA, ON N7S 5N5 ("You/Yours/Customer").

1. EQUIPMENT COVERED AND TERM.

A. Agreement and Schedule A(s). Ryder agrees to lease to you and you agree to lease from Ryder the vehicles listed on Schedule A(s) (the "Vehicle(s)"). Each Schedule A is a part of this Agreement and contains additional terms and conditions. When you sign a Schedule A, you authorize Ryder to obtain the Vehicle(s) and you agree to take delivery of each. Failure to take delivery of a Vehicle for any reason is a material breach of this Agreement.

B. Lease Term. The lease term for each Vehicle begins when the Vehicle is placed in Customer's service, or 48 hours after notice has been given by Ryder to Customer that the Vehicle is available for pick-up, whichever occurs first, and shall continue for the period specified on its Schedule A unless the lease term is terminated earlier as permitted herein. If you operate any Vehicle after its lease term has ended, the terms of this Agreement will continue to apply to the hold-over lease, but either party shall have the right to terminate the hold-over lease upon 7 days prior written notice to the other party, provided all other termination requirements set forth herein are satisfied. Unless you execute a Schedule A(s) to the Agreement prior to the expiration of the lease of a Vehicle(s) for a replacement vehicle(s) of an equal or greater class size upon reasonable terms and conditions acceptable to Ryder, your then current fixed and variable charges will increase by 20% for the first 12 months of any hold-over term and shall increase an additional 20% on each anniversary date of the original expiration of the original Term In Months. Upon the expiration of the Term In Months, you shall have a grace period of 30 days before Ryder implements the increase set forth herein.

C. Vehicle Specifications, Alterations, and Equipment. When you place a Vehicle in service, you acknowledge that it conforms to the Vehicle specifications and is in good working order. You agree not to alter the structure of any Vehicle without Ryder's prior written consent. You agree to pay for all structural alterations, special equipment, and all changes in painting, lettering, and art work that you make or request. You agree to pay for all structural alterations, special equipment, and all changes in painting, lettering, and art work that you make or request. Ryder to make after you sign the Schedule A. If a law or regulation changes, after you sign a Schedule A, that requires Ryder to install new or additional equipment on the Vehicle or to otherwise alter the Vehicle, Ryder will perform the installation or alteration at your expense. If you use a Vehicle while it is connected to a trailer or other equipment that Ryder does not lease to you or maintain for you, you agree to keep that trailer and equipment in good operating condition.

2. SERVICES THAT RYDER PROVIDES.

A. Maintenance and Repairs to Vehicles. For each Vehicle, Ryder will provide lubricants, tires, tubes, and all other operating supplies, perform all maintenance and repairs, and supply all labor and parts required to keep the Vehicle in service.

(1) Maintenance and Repair Schedule. You agree to return each Vehicle to Ryder at the maintenance facility listed on Schedule A (the "Maintenance Facility") for a reasonable amount of time in order to allow Ryder to provide the necessary ordinary maintenance and repairs to the Vehicle(s) at mutually agreeable times. Customer shall notify Ryder immediately when any repairs are necessary and return the Vehicle to the Maintenance Facility for performance of those repairs.

(2) Repairs Performed by Third Parties. Only Ryder and parties expressly authorized by Ryder may repair, maintain, or adjust a Vehicle. Customer shall not have a third party repair or make adjustments to a Vehicle without Ryder's consent. Ryder will only pay for properly authorized and documented repairs.

B. Substitute Vehicles. Except as described in this Paragraph 2B, if a mechanical failure renders a Vehicle temporarily inoperable, Ryder agrees to supply Customer with a vehicle, as nearly as practicable the same size as the inoperable Vehicle, (a "Substitute Vehicle"), at no extra cost except for kilometre usage, fuel, and other variable charges. Substitute Vehicles will be from Ryder's rental fleet and, subject to availability, similar in size and capacity as the inoperable Vehicle. Ryder shall not provide any special painting, lettering or other alterations for any Substitute Vehicle. Ryder shall provide the Substitute Vehicle where the Vehicle was disabled and Customer shall return it to the facility that provided it within a reasonable time after Ryder notifies Customer that the Vehicle is ready for pick-up, after which time rental rates will apply. All Substitute Vehicles will be governed by the terms of this Agreement. Ryder will not furnish a Substitute Vehicle for any Vehicle that is out of service: (i) for preventive maintenance; (ii) due to driver abuse; (iii) for repair of Physical Damage (as defined in Paragraph 11(A) of this Agreement) resulting from any cause, including fire, collision, upset, vandalism or an Act of God; (iv) due to your violation of this Agreement; or (v) for repair or maintenance of special equipment that Ryder is not responsible for maintaining. Ryder will not furnish a Substitute Vehicle for any Vehicle that is lost or stolen or for any specialized Vehicle. Ryder's failure to furnish a Substitute Vehicle within a reasonable period of time when required will cause the fixed charges for the inoperable Vehicle to abate until it is returned to Customer's service or until a Substitute Vehicle is furnished, whichever comes first, and Ryder will have no other liability to Customer for such failure. Where Ryder is not obligated to furnish a Substitute Vehicle, Ryder will rent Customer a replacement vehicle at rental rates, subject to availability.

C. Emergency Road Service. Ryder agrees to provide road service for mechanical or tire failure (unless such failure results from an accident, driver abuse or a violation of this Agreement). Where Ryder is not responsible for road service, Ryder will coordinate road service for you at your expense. In addition, if a Vehicle requires towing or service and Ryder would otherwise be responsible, but the Vehicle is located either (i) North of a 50 degree latitude east of Manitoba, or (ii) North of a 55 degree latitude in Manitoba or west of Manitoba, you shall be responsible for any tow charges or costs in excess of \$400.00.

D. Safety Program. At your request, Ryder will provide you with its then-current standard safety program.

E. Additional Services. Ryder will provide additional services as listed on Schedule A.

F. Additional Repairs. Regardless of any other provision of this Agreement, you agree to pay for all damage, repairs, maintenance, and related expenses resulting from your operation of a Vehicle in violation of this Agreement. Any such repairs or maintenance performed by Ryder and all Vehicle washes in excess of the amount on Schedule A shall be at its retail sales and service rates (including overtime).

3. FUEL. When Ryder is designated on Schedule A, Ryder will offer to sell you fuel for each Vehicle from a Ryder or Ryder-designated facility. Ryder's charge for fuel it provides will vary over time. Fuel charges are incidental and are billed in addition to all other lease charges. If your account is past due, Ryder may elect to stop providing fuel to you. You will be responsible for the cost of fuel you obtain from other sources and cannot charge these costs to your Ryder account.

4. VEHICLE OPERATING CREDENTIALS AND TAXES.

A. Licensing and Taxes. Where it is legal to do so, Ryder will apply and pay for the following (up to the allowance for each item on Schedule A): (i) motor vehicle license and registration in the province (or U.S. state) of domicile (the "Domicile Municipality") (for the licensed weight shown on Schedule A); (ii) personal property taxes (in the Domicile Municipality); and (iii) Goods and Services Tax. You agree to provide Ryder with all documentation required for vehicle licensing (including trip records) on a weekly basis. If you fail to provide Ryder with timely and accurate information, you agree to reimburse Ryder for any resulting charges, penalties, or expenses. You will pay to Ryder all charges incurred by Ryder in any province (or U.S. state) other than the Domicile Municipality for any of the items listed in this Paragraph 4. Also, Ryder shall have the right upon 30 days prior notice, to stop applying for vehicle licenses and to remove any existing vehicle licenses issued to Ryder.

B. Fuel Tax. When designated on a Schedule A to provide fuel, and where it is legal to do so, Ryder will: (i) apply and pay for (up to the allowance on Schedule A for fuel tax permits) IFTA fuel tax permits and highway use/kilometre usage tax permits for each Vehicle; (ii) prepare and file IFTA fuel tax and highway use/kilometre usage tax returns; and (iii) pay fuel taxes and highway use/kilometre usage taxes imposed on the operation of the Vehicles, on the following terms:

(1) *Required Documentation.* You must provide Ryder with all necessary documentation (including trip records and fuel tickets) on a weekly basis. If you fail to provide Ryder with timely, accurate and complete information, you agree to: (i) reimburse Ryder for any charges, penalties, expenses, or disallowed credits; (ii) pay Ryder an amount equal to the estimated taxes computed on a per kilometre basis and (iii) pay Ryder a surcharge of \$.25 for each kilometre that you fail to properly report. In addition, Ryder shall have the right, upon 30 days notice, to stop providing the services described in this Paragraph 4B and you shall be responsible for these obligations as if you were designated on Schedule A to provide them.

(2) *Reimbursement of Fuel, Highway Use and Kilometre Usage Taxes.* You will reimburse Ryder for all fuel, highway use and kilometre usage taxes paid by Ryder on your behalf, including, but not limited to, all additional fuel taxes resulting from your consumption of fuel in any municipality other than the province (or U.S. state) in which the fuel was purchased and all taxes that may become due based on the documents you provide.

(3) *If you provide IFTA fuel tax reporting.* You agree to defend, release, indemnify, and hold Ryder harmless for all Damages and Defense Costs resulting from your failure to properly obtain IFTA fuel or highway use/kilometre usage tax permits, file IFTA fuel or highway use/kilometre usage tax returns or pay IFTA fuel or highway use/kilometre usage taxes.

C. Allowances. If the cost of any of the items listed in Paragraphs 4A and 4B exceeds the annual allowance listed on Schedule A (for any reason including increase or change in the method of assessment), then you agree to pay Ryder the excess. Ryder's failure to bill or collect amounts in excess of the allowance in any year shall not be considered a waiver of its right to pursue those amounts. Any blank allowance line on a Schedule A shall be deemed to be a \$0 annual allowance.

D. All Other Taxes. Unless otherwise specified in this Agreement, you agree to pay for all taxes, fees, special licenses, traffic and parking violations, towing and storage expenses and other similar fines and tolls (whether in effect now or imposed after the date of this Agreement) relating to any Vehicle or to the lease, rental, or other charges under this Agreement (excluding any taxes based on Ryder's net income). If your failure to pay any taxes, fees or tolls results in a claim or lien involving any Vehicle, then Ryder may settle the claim or lien, and you will promptly pay Ryder the full amount of such settlement.

5. OPERATION OF VEHICLES; DRIVERS.

A. Operation of Vehicles; Drivers. Each Vehicle shall be operated only in the ordinary course of business by properly licensed drivers that are: (i) at least 18 years old; and (ii) your employees or agents and subject to your exclusive direction and control. You will not operate any Vehicle: (i) in violation of any federal, provincial, or local rules, laws or regulations (including weight and size limits), as well as any other applicable rules, laws or regulations (including those of the United States in the event of use or operation of any Vehicle there); (ii) in a reckless or abusive manner (including, while using a mobile or electronic device); or (iii) to transport Hazardous Materials (as defined in Paragraph 16C of this Agreement). Nor will you operate any Vehicle in violation of the manufacturer's recommendations, off an improved road, on a flat tire, with warning lights on, with gauges showing dangerous or excessive readings, or improperly loaded. Customer shall conduct pre and post inspections of the Vehicle, complete required reports, and promptly notify Ryder of any Vehicle condition issues. Ryder will not be liable for any Federal Motor Carrier Safety Administration ("FMCSA") violations or other citations for which Ryder was not provided notice. You are not permitted to use any Vehicle to carry passengers, except as required in the ordinary course of your business. Regardless of any other provision of this Agreement, and even if Ryder is designated on Schedule A as responsible for Physical Damage, you will pay Ryder for all physical damage, repairs, maintenance and related expenses resulting from any violation of this Paragraph 5. Annually and upon Ryder's request, you agree to provide Ryder with a current driver roster in a form reasonably satisfactory to Ryder.

B. Driver Removal. If a driver operates a Vehicle in violation of this Agreement, upon written notice from Ryder, you will immediately remove that driver as an operator of any Vehicle. If you fail to do so or are prevented from doing so by contract, then you agree to reimburse Ryder for any damage to any Vehicle that occurs while being driven by that driver, even if Ryder would otherwise be responsible for payment of Physical Damage, and to defend, release, indemnify, and hold Ryder harmless for all resulting Damages and Defense Costs.

6. CHARGES AND PAYMENT.

A. Payment Terms. You will pay Ryder the full amount of its invoices within 10 days of the invoice date without deduction, setoff, recoupment or counterclaim. Each invoice will be conclusively deemed correct, unless you notify Ryder in writing of any error within 180 days of the invoice date.

B. Deposit. Not Applicable

C. Determination of Kilometre Usage and Refrigeration Charges. Ryder will determine kilometre usage for powered vehicles from odometer readings, kilometre usage for trailers from hub odometer readings, and hours of operation of all refrigeration units from hour meter (s). If the odometer, hub odometer, or hour meter fails to function, you agree to immediately report that failure to Ryder. Ryder will determine kilometre usage or the hours of operation for the period in which the failure existed from (1) your trip records or (2) the average amount of fuel consumed and the kilometres per litre shown in Ryder's records for the previous 30 days. If in any month you fail to provide Ryder with complete kilometre usage or meter readings, then on the invoice for that month, Ryder will charge you for 1/12th of the Estimated Annual Kilometre usage (which estimate may be adjusted on future invoices based on actual kilometre usage).

D. Invoicing Frequency. "Monthly" Invoicing Frequency: At your request, Ryder will invoice you for charges under this Agreement monthly.

7. FINANCIAL REQUIREMENTS AND CONFIDENTIALITY.

A. Financial Statements. You agree to provide Ryder with fully disclosed, year-end financial statements for the most recent two years, including all major statements and footnotes and other financial information as Ryder may request from time to time.

B. Confidentiality. The parties agree that the terms and conditions of this Agreement, as well as any financial information that you provide to Ryder pursuant to Paragraph 7A, are confidential and neither party will disclose them to any third party unless required by law.

8. CPI.

Twice each year, on January 1st and July 1st Ryder may adjust your charges on each Vehicle to reflect changes in Ryder's costs. These adjustments will be computed based on the percentage change in the Revised All Items Revised Consumer Price Index (1981 base period) published by the Statistics Canada (or any successor index designated by Ryder) ("CPI") from the base index listed on Schedule A (the "Base Index"). Ryder will round this percentage change to the nearest one-tenth of one percent and will then adjust your charges by an amount equal to this rounded percentage change in CPI multiplied by the portion of the charges listed below:

- *75 % of the Fixed Charge Per Month (or Week) and 100 % of the Kilometre Usage Rate Per Kilometre
- *100 % of the Refrigerated Maintenance Rate Per Hour (for refrigeration equipment)

Adjustments will be based on the original charges listed on Schedule A and the most recent CPI index figures at the time of adjustment.

9. LIABILITY INSURANCE.

A. Liability Insurance. The party designated on Schedule A (the "Insuring Party") agrees to furnish and maintain, at its sole cost, a policy of automobile liability insurance with limits specified on each Schedule A for death, bodily injury and property damage, covering both you and Ryder as insureds for the ownership, maintenance, use, and operation of each Vehicle ("Liability Insurance"). If you are the Insuring Party, the terms of the policy and the insurer must be acceptable to Ryder. The Liability Insurance must provide that its coverage is primary and not additional or excess coverage over insurance otherwise available to either party, must be equal in scope in all respects the insurance coverage provided to you, and must include any and all statutory requirements of insurance imposed upon you and/or Ryder. In addition, the Liability Insurance must provide that it cannot be cancelled or materially altered without 30 days prior written notice to you and Ryder. The Insuring Party agrees to designate the other party as an additional insured on the Liability Insurance and to provide the other party with insurance certificates evidencing the required coverage. Your certificate of insurance must include by special endorsement or otherwise, Ryder as an additional insured for all vehicles leased, rented, substituted or supplied to you by Ryder.

B. Where Ryder Provides Insurance Coverage. If Ryder is the Insuring Party, then this Agreement is subject to all of the terms and conditions of the Liability Insurance, which will exclude uninsured or underinsured motorist coverage, personal injury protection coverage, medical payment coverage, and/or supplementary no fault coverage. If any of these coverages cannot be rejected, waived, or excluded under the law of any applicable province or U.S. state, or if rejection, waiver, or exclusion is otherwise unenforceable, the coverage will only be provided to the extent and with the minimum limits required by the laws of that province or U.S. state. Upon 30 days notice, Ryder may review and adjust its rates for Liability Insurance or terminate the Liability Insurance. In the event Ryder terminates the Liability Insurance, you will furnish and maintain Liability Insurance in accordance with Paragraph 9A.

C. Ryder Filing Evidence of Liability Insurance Extended by Ryder. When Ryder is the Insuring Party, Ryder will, at your request and where required and legal, file evidence of the Liability Insurance and will provide certificates evidencing the Liability Insurance. When Ryder is the Insuring Party, you shall defend, release, indemnify and hold Ryder harmless for all Damages and Defense Costs arising out of or related to payment of losses by Ryder or Ryder's insurer based on any such filing made or certificates issued by Ryder or its insurer, including, but not limited to, those filings and certificates related to "hired" coverage, where the loss would not have otherwise been paid except for such filing or certificate, including any losses relating to or arising from a Vehicle for which Liability Insurance has not been extended by Ryder under the terms of the Schedule A.

10. INDEMNIFICATION.

A. Indemnification for Damages and Defense Costs: You agree to defend, release, indemnify and hold Ryder harmless for all Damages and Defense Costs, (1) in excess of or not covered by Liability Insurance (whether provided by you or Ryder) arising out of or related to the ownership, maintenance, use or operation of each Vehicle; (2) arising out of or related to death or injury to you, your drivers, employees, and agents caused by or related to the ownership, maintenance, use or operation of each Vehicle; (3) arising out of or related to your violation of this Agreement; or (4) arising out of your failure to procure and maintain Liability Insurance (where you are the Insuring Party).

B. Indemnification for Transportation of Hazardous Material. Notwithstanding anything in this Agreement to the contrary and even if Ryder is designated on Schedule A as responsible for providing Liability Insurance, if you use any Vehicle to transport Hazardous Materials in violation of this Agreement, then you agree to defend, release, indemnify and hold Ryder harmless from and against all Damages and Defense Costs, arising out of or related to that transportation, regardless of cause, including, but not limited to your negligence, Ryder's negligence, any other failure on your part, or any failure on Ryder's part.

C. Reimbursement for Clean-up Costs Associated with Fuel Spills. If you are the Insuring Party and Ryder responds to any incident or accident which has resulted in an environmental spill or release from a Vehicle's fuel tank(s) or engine, you will pay for and/or reimburse Ryder for all costs and expenses incurred by Ryder, including but not limited to, the cost of emergency response contractors, environmental clean-up and disposal costs, fines and penalties.

11. PHYSICAL DAMAGE.

A. Payment of Physical Damage. The party designated on Schedule A (the "Responsible Party") will pay for all loss, theft or damage ("Physical Damage") to any Vehicle.

(1) *When Ryder is Responsible.* Ryder will pay for Physical Damage in excess of the deductible amount specified on Schedule A, except where the loss or damage results from (i) a violation of Paragraph 5; (ii) any willful damage to a Vehicle including, but not limited to, damage arising out of or in connection with any labor dispute that you are involved in; or (iii) theft by one of your agents or employees. Upon 30 days notice, Ryder may review and adjust its rates for Physical Damage or terminate Physical Damage coverage. If Ryder terminates Physical Damage coverage, you agree to be responsible for Physical Damage under the terms of Paragraph 11A(2).

(2) *When You are Responsible.* You agree to pay for all Physical Damage to any Vehicle, Substitute Vehicle or rental vehicle, including related expenses, even if the Physical Damage results from Ryder's negligence or occurs on Ryder's premises. If any Vehicle is lost, stolen, or damaged beyond economic repair, then you agree to pay Ryder its purchase price as determined by Paragraph 13C. If any Physical Damage repairs are performed by Ryder, Ryder will charge you at retail sales and service rates (including overtime). Charges will not abate while the Vehicle is being repaired. Any Physical Damage repair work performed by an unapproved repair shop is subject to Ryder's approval and Ryder may rework any unsatisfactory repair at your expense. You agree to furnish Ryder with evidence of Physical Damage insurance coverage reasonably acceptable to Ryder naming Ryder as a named insured or endorsed as a loss payee for such Vehicle, Substitute Vehicle or rental vehicle.

B. Vehicle Loss, Theft or Destruction. If a Vehicle is lost, stolen or in an accident, you agree to immediately notify Ryder and cause your driver to make a report to Ryder as soon as practicable. If a Vehicle is involved in a collision or accident, Ryder will decide within 30 days of being notified whether that Vehicle is damaged beyond economic repair. If a lost or stolen Vehicle is still missing 30 days after you notify Ryder, or if a Vehicle is damaged beyond economic repair, then the lease on that Vehicle will terminate once you have paid Ryder all amounts owed under this Paragraph 11 and any other outstanding charges. You agree to also provide Ryder with copies of any reports that you have provided to your insurer or any governmental agency and assist Ryder and the insurer in the investigation, defense, or prosecution of any claims or suits. Regardless of who is the Responsible Party, you will pay for the loss of tools, tarpaulins, accessories, spare tires, or other similar equipment furnished by Ryder.

12. CARGO LOSS OR DAMAGE. Ryder will not be liable for loss of or damage to any cargo, goods or property in, carried on, or towed by any Vehicle ("Cargo"), even if the loss or damage occurs on Ryder's premises or is caused by Ryder's negligence or any other failure on Ryder's part. You agree to defend, release, indemnify, and hold Ryder harmless for all Damages and Defense Costs arising out of or related to loss or damage to Cargo.

13. TERMINATION.

A. Annual Termination Rights. Either party may terminate the lease on any Vehicle on any annual anniversary of its Date of Delivery listed on Schedule A before its full lease term expires by giving the other party at least 60 days prior written notice. If Ryder terminates the lease on any Vehicle and you are not then in default, you will have the right, but not the obligation, to purchase that Vehicle on the date of termination, in accordance with Paragraph 13C, by giving Ryder at least 30 days prior notice. If you terminate the lease on any Vehicle, you will, at Ryder's option, purchase that Vehicle on its effective date of termination in accordance with Paragraph 13C.

B. Expiration of Lease. Upon expiration of its lease term (or upon termination if you are not required to purchase the Vehicle), you agree to return each Vehicle to Ryder at the Maintenance Facility in good and working order without Physical Damage. If a Vehicle has Physical Damage, charges will not abate while the Vehicle is being repaired. If you have made any structural alteration to a Vehicle, you agree, at Ryder's option, to restore that Vehicle to its original condition before you return it to Ryder. You will have no right or obligation to purchase a Vehicle when its full lease term expires. Upon expiration of the lease term or termination for any reason, unless you purchase the Vehicle, you agree to pay Ryder the cost to de-identify each Vehicle.

C. Vehicle Purchases. If you are required or elect to purchase a Vehicle under this Agreement, the purchase price will be an amount equal to its Schedule A Value plus any sales or use taxes. On the purchase date, you will also pay Ryder any outstanding charges you owe. Your payment will be in cash or by certified cashier's check. Each Vehicle will be purchased "as is, where is" without any warranties, except that upon such purchase Ryder will assign to you, to the extent permitted by the manufacturer, any manufacturer's warranty applicable to the Vehicle. If you fail to purchase a Vehicle when required to do so, you will pay to Ryder the difference between the Vehicle's Schedule A Value and its wholesale value as of the date you were required to purchase the Vehicle.

14. BREACH OR DEFAULT.

A. Breach or Default.

(1) *Default Procedure.* If you breach this Agreement, then Ryder may send you a notice of default. You will have 7 days from the date that Ryder sends you the notice to cure the default. If you fail to cure a default as required by this Paragraph 14A, then Ryder may, at its option, without prejudice to Ryder's other remedies under this Agreement, at law or in equity: (i) immediately repossess any or all Vehicles, Substitute Vehicles and rental vehicles wherever they may be located, without further demand or notice (unless required by law in the relevant jurisdiction); and/or (ii) terminate the Agreement as to any or all of the Vehicles and, at Ryder's option, require you to purchase any and/or all terminated Vehicles within 10 days in accordance with Paragraph 13C. Repossession of the Vehicles will not automatically terminate the Agreement. You shall be liable for all charges that accrue during the period that Ryder retains the Vehicles.

(2) *Default under Other Agreements.* If you breach any other agreement between you and Ryder, including but not limited to any rental and/or maintenance agreements, then you will be in default of this Agreement. If you breach this Agreement, you will be in default of any other agreement between you and Ryder.

B. Bankruptcy. It shall be a default under this Agreement if you become insolvent, file a voluntary petition in bankruptcy, make an assignment for the benefit of creditors, are adjudicated bankrupt, permit a receiver to be appointed for your business, or permit or suffer a material disposition of your assets.

15. MISCELLANEOUS PROVISIONS.

A. Assignment of Lease. This Agreement will be binding on both parties, and our respective successors, legal representatives, and permitted assigns. **YOU DO NOT HAVE THE RIGHT TO SUBLEASE ANY VEHICLE, NOR THE RIGHT TO ASSIGN THIS AGREEMENT OR ANY INTEREST HEREUNDER WITHOUT RYDER'S PRIOR WRITTEN CONSENT. ANY ATTEMPT TO DO SO WILL BE VOIDABLE AT RYDER'S OPTION.** Unless Ryder expressly releases you from your obligations in writing, you will

remain liable for all of your and the assignee's obligations under this Agreement including, but not limited to, liability claims, Physical Damage and associated Damages and Defense Costs.

B. Change of Ownership/Sale of Assets. If you change ownership or dispose of a substantial amount of your assets, you will notify Ryder in writing.

C. Force Majeure. Neither party will be liable to the other if it is prevented from performing under this Agreement by any present or future cause beyond its control. These causes include, but are not limited to, Acts of God, national emergencies, wars, acts of terrorism, riots, fires, labor disputes, federal, state, or local laws, rules or regulations, shortages (local or national), or fuel allocation programs.

D. Limitation of Liability. Ryder's liability to you for any breach of this Agreement shall be limited to the actual value of the services that Ryder fails to provide. **NOTWITHSTANDING THE FOREGOING, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR PUNITIVE DAMAGES.**

E. Notices. Any notice, demand, consent or request for consent under this Agreement must be written and sent to you or Ryder at the address specified at the beginning of this Agreement (or any new address of which notice is given). Notices shall be given by certified mail (with a return receipt), overnight delivery service, facsimile transmission (if a written record of either a machine generated or verbal telephonic confirmation is obtained), or hand-delivery. Notices will be effective when sent, unless otherwise specified in this Agreement.

F. Savings Clause. If a court rules that any provision of this Agreement is illegal, invalid, or unenforceable, all other provisions will remain binding, effective, and fully enforceable.

G. Waiver. Delay or failure to exercise, or partial exercise of any right under this Agreement will not operate to waive that or any other right hereunder. By failing to declare or act on a default, a party does not waive that default. Either party may act on any default at any time. **BOTH PARTIES WAIVE ANY RIGHT TO A TRIAL BY A JURY IN ANY LAWSUIT RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.**

H. Cumulative Remedies. All remedies in this Agreement are cumulative and non-exclusive. Each party may exercise any remedy without affecting its right to exercise any other remedy and without impacting its right to bring suit for breach or to pursue other remedies at law or in equity.

I. Content and Modification of Agreement. Neither party will be bound by this Agreement until its duly authorized representative signs it. This Agreement is the entire agreement and understanding between the parties concerning its subject matter. All previous written or oral agreements and representations regarding the subject matter of this Agreement will be null and void. The Agreement can be modified only by a written amendment signed by a duly authorized representative of the party against which enforcement is sought. Any attempt to modify orally or through course of performance shall be void.

J. Disclaimer of Warranties. **RYDER MAKES NO EXPRESS OR IMPLIED WARRANTY REGARDING ANY VEHICLE, CHARGES, OR ANY OTHER MATTER WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY THAT A VEHICLE IS MERCHANTABLE OR FIT FOR A PARTICULAR PURPOSE OR SPECIAL PURPOSE.** Without waiving the foregoing disclaimer, Ryder agrees that any manufacturer's warranty on a Vehicle shall inure to your benefit and Ryder will cooperate with you to ensure that you derive all benefits from any manufacturer's warranties.

K. Survivability. All of the defense, release, indemnification, and hold harmless provisions of this Agreement shall survive its termination (for any reason) or expiration.

L. Governing Law and Jurisdiction. This Agreement shall be subject to, construed and interpreted under the laws of the Province of Ontario and the federal laws of Canada applicable therein, at the time of this Agreement, without regard to its conflicts of laws provisions. The parties agree that the exclusive venue for any action relating to this Agreement shall be in a court of competent jurisdiction in Mississauga, Ontario.

M. Legal Fees. If either party initiates litigation to enforce its rights under this Agreement, the prevailing party in such litigation will also be entitled to receive from the other party its reasonable attorneys' fees (pre-trial, trial and appellate) and costs (including those paid to a collection agency).

N. Third Party Invoices. If Ryder engages a third party to perform repairs, maintenance or road service not covered by the fixed and variable charges (e.g. driver abuse, Physical Damage), you agree to pay the third party's charges plus a reasonable mark-up to cover Ryder's related administrative expenses.

O. Transfer of Domicile. Not Applicable.

P. Currency. All figures contained in this Agreement or Schedule A(s) attached hereto are in Canadian dollars.

Q. Use of English Language. The parties hereby consent to this Agreement, as well as any other written documents related hereto, being drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que les présentes, de même que tous les documents y compris, soient rédigés en langue anglaise seulement.

R. Validity. A copy, scan or electronic signature of this Agreement or any Schedule A is sufficient and binding in the same manner and for the same purposes as the originally signed version. Neither party may deny the legal effect, validity, or enforceability of this Agreement solely because it is in electronic form and any arguments to this effect are expressly waived. This Agreement shall be admissible in any proceeding as a copy or scan, or with electronic or digital signatures, as if it contained original handwritten signatures.

16. DEFINED TERMS.

A. Damages: All damages, claims, suits, causes of action, penalties, fees, costs, expenses and liabilities for death or injury to persons and loss or damage to property, including, but not limited to, damage to the environment and all environmental clean-up costs.

B. Defense Costs: All attorneys' fees, experts' fees, and court costs at trial and on appeal.

C. Hazardous Material: Any dangerous goods as the term is defined in the Transportation of Dangerous Goods Act, 1992, (Canada) and any medical, bio-hazardous, or radioactive waste.

D. Schedule A Value: A Vehicle's Original Value specified on its Schedule A, less the total accrued depreciation at the rate specified on Schedule A, plus all unexpired licenses, applicable taxes (including personal property taxes, and Goods and Services prepaid interest and other expenses previously incurred by Ryder relating to the Vehicle, prorated to the date of sale or computation.

RYDER TRUCK RENTAL CANADA LTD.
(Ryder)

Entropex Corporation Inc.
(Customer/You)

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:



**TRUCK LEASE & SERVICE AGREEMENT (TLSA)
SCHEDULE A**

Customer Name: Entropex Corporation Inc.	Customer Vehicle Domicile: Sarnia, ON	Lessee Number:	CVOR No:
Ryder Maintenance Facility Number & Name: 3560 SW Ontario CBU-1424 Sarnia	Schedule A No. 01 2015	Schedule A Date: June 30th, 2015	

1. **Vehicle:** This Schedule A shall cover the following 1 Vehicle(s):

Vehicle Information				
Ryder Unit No.	Customer Unit No.	Date of Delivery	Serial Number	Replaces Ryder Unit No.
1. 416791		___/___/___	IHSCUAPR2BJ388378	

The parties acknowledge and agree that certain information required to complete this Section may not be available upon execution of this Schedule and that Ryder will furnish any such information upon delivery of the Vehicle(s).

2. **Lease Terms:** The following terms shall apply to each Vehicle listed on this Schedule A:

Original Value:	\$58,142	Term In Months:	30
Monthly Depreciation:	\$274.00	Fixed Charge Per Month:	\$1,910.00
Max GCW/GVW and/or Licensed Weight:	99,999 (45,359 Kgs)		
Estimated Annual Kilometres:	10,000	Rate per Kilometre:	\$ 0.4500

3. **Vehicle Component Information:** Each Vehicle listed on this Schedule A is comprised of the following components:

Component Information				
Component	Model Year	Description	Original Value	Monthly Depreciation
Cab/Chassis	2011	International Prostar	\$58,142	\$274.00

4. **Vehicle Lease:** The lease of each Vehicle listed on this Schedule A shall constitute a separate and independent lease agreement subject to the terms and conditions contained in: (i) the TLSA; (ii) any amendments to the TLSA; (iii) this Schedule A; and (iv) any other written agreement between Ryder and you regarding that Vehicle. Any reference to the TLSA contained in any of the foregoing documents shall be deemed to refer to each and every Vehicle lease. Payments relating to an invoice for multiple Vehicles will be allocated on a pro-rata basis among the covered Vehicles. The terms of this Schedule A apply to all Vehicles listed on this Schedule A and are part of each respective Vehicle lease. If there is a conflict between the terms of this Schedule A and any other terms of the TLSA, then the terms of this Schedule A will apply.

5. **Investment:** The Original Value, Monthly Depreciation and Fixed Charge Per Month listed above are based, in part, upon the manufacturer's quoted price as of the date you execute this Schedule A. If the manufacturer's quoted price increases prior to the Date of Delivery of a Vehicle, then you agree that for each \$50 increase in price (or fraction thereof), Original Value shall be increased by \$50.00, Monthly Depreciation shall be increased by \$0.65, and the Fixed Charge per Month shall be increased by \$1.30.

6. **Original Identification Cost:** \$0. If this amount varies by \$50.00 or more in price, the Original Value, Monthly Depreciation and Fixed Charge per Month will be adjusted as indicated in (5) above.

7. **Estimated Annual Kilometrage:** You may not operate any Vehicle more than 10% in excess of the Estimated Annual Kilometrage in any 12-month period. If during any 12-month period, the actual kilometres on any Vehicle exceeds the Estimated Annual Kilometrage listed on this Schedule A by 10 %, then, in addition to all other rights and remedies hereunder, Ryder will assess a surcharge of \$0.15 per kilometre for all kilometres over the Estimated Annual Kilometrage and you agree to pay this surcharge in addition to all other amounts due Ryder within the time provided in the TLSA. You will not be entitled to a credit or carry forward if actual annual kilometres is less than the Estimated Annual Kilometrage.

8. **Estimated Annual Engine Hours for Refrigerated Trailers and Straight Trucks ("Refrigerated Vehicles"):** Not Applicable.

9. **Estimated Annual Standby Refrigeration:** Not Applicable.

10. **The CPI Base Index:** Is (to be determined). The Base Index shall be the current index as of the Date of Delivery.

Adjustment Index: Notwithstanding anything in the Vehicle lease to the contrary, the charges on the Vehicles listed on this Schedule A (the "Scheduled Vehicle(s)") will be adjusted pursuant to the Vehicle lease based on changes in the All Items Revised Consumer Price Index (1981 base period) Index, not the Consumer Price Index for Urban Wage Earners and Clerical Workers (1967 base period). Except as otherwise expressly provided on this Schedule A, all other terms and conditions of the Vehicle lease, including, but not limited to, the adjustment formula and methodology contained in the Vehicle lease, shall remain in full force and effect and shall apply to the Scheduled Vehicles.

Exposure %: Notwithstanding anything in the TLSA to the contrary, 75 % of the Fixed Charge Per Month and 100 % of the Kilometrage Rate Per Kilometre on the Vehicles listed on this Schedule A shall be subject to adjustment in accordance with the TLSA.

Effective Date of Adjustments: January first and July first.

11. **Per Vehicle Annual Allowances:** The allowances described below are included in the Fixed Charge Per Month. If the actual cost of any item(s) listed below, including any costs incurred in provinces other than those listed, exceeds the annual allowance amount for that item, then you agree to pay Ryder the excess, in addition to all other lease charges.

Description	Annual Allowance Amount
Vehicles listed on this Schedule A operate in Province(s) of: ON	
Motor Vehicle License, Registration and Inspection fees	\$0
IFTA / Kilometres Usage Tax Permits	\$0
Federal Heavy Vehicle Use Taxes	\$0
Personal Property Taxes	\$0

12. **Vehicle Related Services:**

Vehicle Related Services	Provided By/Comments
Substitute Vehicles	Ryder
Exterior Washing	You
Safety Services	Ryder
Licensing	You
IFTA/Kilometres Usage Tax Permitting & Reporting	Ryder
Other Services	None

13. **Fuel:** Ryder will provide fuel for the Vehicles and charge you for any fuel it provides in accordance with the terms of the TLSA and in addition to all other lease charges. All fuel used in the Vehicle that is obtained from a third party other than Ryder shall be of a type and grade that meets all manufacturers' recommendations and the requirements of applicable law.

14. **Party Responsible for Liability Insurance:** Ryder. Combined Single Limits \$1,000,000 per occurrence. Customer Deductible: \$2,000 per occurrence. You agree that Ryder shall have the sole right to conduct accident investigations and administer claims handling and settlements and you shall adhere to and accept Ryder's conclusions and decisions.

15. **Party Responsible for Physical Damage Insurance:** Ryder. Customer deductible of \$2,000 per Vehicle, per occurrence.

16. **Other:**

RYDER TRUCK RENTAL CANADA LTD.

(Ryder)

By: _____

Name: _____

Title: _____

Date: _____

Entropex Corporation Inc.

(Customer/You)

By: _____

Name: _____

Title: _____

Date: _____

John Athanasiou

From: Glenn Dobson <gdobson@ryder.com>
Sent: July 26, 2016 4:10 PM
To: John Athanasiou
Cc: Frances M. Shambarger
Subject: FW: Entropex Corporation information !
Attachments: DOC001.PDF

Ryder has included the Truck Lease Service Agreement, Schedule A, PPSA filing, And proof of the deliver to Stanley Darling on 9/17/15 a 2 PM that day.

Please advise as soon as possible the return of the Ryder vehicles lease unit 416791 along with our rental trailer ?

Thank you
Glenn Dobson
Stop/Loss Manager
Ryder Transportation Services
Phone#770-569-6510
Fax#770-569-6712

-----Original Message-----

From: 3West-MFD@ryder.com [mailto:3West-MFD@ryder.com]
Sent: Tuesday, July 26, 2016 4:49 PM
To: Glenn Dobson
Subject: Scan from a Xerox WorkCentre

Please open the attached document. It was scanned and sent to you using a Xerox WorkCentre.

Attachment File Type: PDF

WorkCentre Location: SSC- 3W Cost
Device Name: XRX000AA7DF16C

For more information on Xerox products and solutions, please visit <http://www.xerox.com>

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destroy this communication and all copies of it, including all attachments. Electronic communication may be susceptible to data corruption, interception and unauthorized tampering and Ryder disclaims all liability of any kind for such actions or any consequences that may arise directly or indirectly therefrom.



EQUIPMENT LEASING AGREEMENT

Delivery Date:	Lease No. 577211
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Lessee	ENTROPEX			
Address	Street 1271 LOUGAR AVENUE	City SARNIA	Province ON	Postal Code N7S 5N5
Contact	Name ROB HICKS	Phone 519 332 0430	Email Address RHICKS@ENTROPEX.COM	

LEASE DETAILS

Equipment	Supplier: HEWITT MATERIAL HANDLING INC			
	Qty 1	New/Used/Refin/Refurb USED	Year/Make/Model/Serial Number 2011 CATERPILLAR 2C8000 FORKLIFT s/n AT83F31065 C/W ATTACHMENTS AND ACCESSORIES	
Equipment Address	(If different than above)			
Lease Payment	Term (In Months) 36	No. of Payments 36	Frequency Monthly (First and Last Payable In Advance)	Lease Payment \$471.79 Plus Applicable Taxes
Schedules	CERTIFICATE OF ACCEPTANCE, RETURN/MAINTENANCE RIDER, PRE-AUTHORIZED DEBIT (PAD) AUTHORIZATION			

TERMS AND CONDITIONS

1. LEASE AND LEASE PAYMENTS. Lessor hereby leases the equipment described above or in any Schedule attached hereto including all parts, accessories, replacements, and additions and accessions, now and hereafter relating thereto or affixed thereon (collectively the "Equipment") to Lessee on the terms and conditions contained herein and elsewhere as is described in Section 4 below (collectively the "Lease"). Capitalized words not defined herein refer to terms appearing above. This Lease shall commence on the Delivery Date (as defined below) and shall continue from the Delivery Date for the number of months specified as the Term. Lessor will advise Lessee of the date that the Lease Payments shall commence, which may be the first or the fifteenth of the month following the Delivery Date or some other date. Lessee unconditionally agrees to pay Lessor, in advance, the number of Lease Payments, in the amounts set out above together with all applicable taxes and with the Frequency set forth above. Lessee's obligation to pay all Lease Payments and other sums due hereunder shall be absolute and unconditional and to the fullest extent permitted by applicable law shall not be affected by any circumstance whatsoever, it being the intention of the parties that all and other sums due hereunder shall continue to be payable by Lessee in all events and in the manner and at the times provided hereunder. Lessee cannot cancel or terminate this Lease for any reason. Lessee shall not at any time be entitled to prepay any Lease Payments due hereunder.

2. TITLE. Title to and ownership of the Equipment shall at all times be and remain vested in Lessor and shall not at any time pass to Lessee. Notwithstanding that Lessor has title to the Equipment during the Term of this Lease, Lessor shall not be liable for any loss, cost, expense or damage of any kind or nature whatsoever caused directly or indirectly by the Equipment or its use, operation or ownership or for any loss of business or other damage whatsoever and howsoever caused.

3. ACCEPTANCE OF EQUIPMENT. Lessee acknowledges that the Equipment has been purchased from the vendor by Lessor at the request of and in accordance with the instructions of Lessee. Lessee represents to Lessor that the Equipment has been (or will be) delivered to Lessee; that the Equipment has been (or will be) assembled and installed, is ready for use, is in satisfactory operating condition, is fit for all of Lessee's purposes. **LESSEE ACKNOWLEDGES THAT THE EQUIPMENT HAS BEEN ACCEPTED FOR THE PURPOSES OF THIS LEASE BY LESSEE ON THE DELIVERY DATE SET OUT ABOVE OR IN A SEPARATE CERTIFICATE OF ACCEPTANCE.**

4. ENTIRE LEASE AGREEMENT. THIS LEASE INCLUDING ANY SCHEDULES SPECIFIED ABOVE ("Schedules") AND THE STANDARD LEASE TERMS AND CONDITIONS ACCESSIBLE ONLINE AS DOCUMENT NUMBER: 352J38Z AT WWW.SSEMYTERMS.COM ("Standard Lease Terms") CONSTITUTE THE ENTIRE AGREEMENT BETWEEN LESSOR AND LESSEE RELATING TO THE LEASE OF THE EQUIPMENT and supersedes all prior agreements or understandings, oral or written, with respect thereto and shall not be modified or amended except by written agreement signed by the parties. Any Schedules and the Standard Lease Terms are hereby incorporated into this Lease by this reference. This Lease shall not become binding upon Lessor until accepted by Lessor, as evidenced by, among other things, Lessor's payment to the vendor for the purchase of the Equipment. In the event this Lease involves 2 or more Lessees ("Co-Lessees"), each Co-Lessee will be held jointly and severally liable under the terms and conditions of this Lease including for all amounts due or becoming due under this Lease. If any provision of this Lease is invalid, illegal or unenforceable, it shall not affect the validity, legality or enforceability of any other provision of this Lease. Lessee agrees that any photocopy, faxed copy or other reproduction of this Lease as executed by Lessee shall be binding on Lessee to the same extent as an originally executed version of this Lease, and Lessor's photocopy, faxed copy or reproduction of this Lease may be used by Lessor in any court proceeding. The parties agree that this Lease and all documents related thereto be written in the English language. Les parties aux présentes conviennent que ce Lease et tous les documents s'y rattachant soient rédigés en anglais.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease. **LESSEE ACKNOWLEDGES THAT LESSEE HAS READ, UNDERSTOOD AND AGREES TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THIS LEASE, ANY SCHEDULES AND THE STANDARD LEASE TERMS ACCESSIBLE ONLINE AS DOCUMENT NUMBER: 352J38Z AT WWW.SSEMYTERMS.COM.**

Lessor: DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

By: _____

Name:

Title:

Lessee: ENTROPEX

By: 

Name:

Title: PRESIDENT

Certificate of Acceptance

Lessor: DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (herein called "Lessor"), 3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Lessee: ENTROPEX (herein called "Lessee"), 1271 LOUGAR AVENUE, SARNIA, ON, N7S 5N5

1. Lessor and Lessee have heretofore entered into Equipment Leasing Agreement No. 577211 (the "Lease"). The Lease provides for the execution and delivery of a Certificate of Acceptance substantially in the form hereof for the purpose of confirming the acceptance and lease of the Equipment under this Lease in accordance with the terms thereof and hereof. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings specified in the Lease.

2. Lessee (and Co-Lessee, if applicable) hereby certifies and agrees that:

- (a) Lessee has selected the manufacturer(s) and supplier(s) of the Equipment;
- (b) The Equipment is situated in the location(s) set out in the Lease;
- (c) The Equipment has been assembled and installed, is ready for use, is in good working condition and is satisfactory for all of Lessee's purposes;
- (d) Lessee has accepted delivery of the Equipment for all purposes on the ____ day of _____, 20 ____ (the "Delivery Date");
- (e) Lessee hereby approves and authorizes payment to be made by Lessor to the supplier of the Equipment; and,
- (f) A facsimile copy of this Certificate of Acceptance as executed by Lessee may be treated as an original and will be admissible as evidence of this Certificate and Lessee's acceptance of the Equipment.

Lessee:

ENTROPEX

By: 

Name: K. BECHARO

Title: PRESIDENT



Return/Maintenance Rider Material Handling

This Return/Maintenance Rider dated March 12, 2015 is executed in connection with, and made a part of, Equipment Leasing Agreement No. 577211 (the "Lease"). Unless otherwise specified herein, all capitalized terms shall have the meanings ascribed to them in the Lease. To the extent that any of the terms and conditions of this Return/Maintenance Rider are contrary to or inconsistent with any terms and conditions of the Lease, the terms and conditions of this Return/Maintenance Rider shall govern.

Lessor and Lessee hereby agree as follows:

ADDITIONAL RETURN & MAINTENANCE REQUIREMENTS.

1. Notwithstanding any other provisions set out in the Lease, the following shall apply to Lessee's return of all, but not less than all of the Equipment covered by the Lease.
2. Under no circumstances shall Lessee be permitted to return less than all of the Equipment covered by the Lease.
3. Lessee shall give Lessor at least 90, but not more than 180, days written notice that Lessee is returning all of the Equipment as provided for herein (the "Return Notice") and shall include with such notice:
 - (a) a detailed inventory of all components of the Equipment including all model and serial numbers;
 - (b) a complete set of current and up to date service and operating manuals for the Equipment;
 - (c) a complete set of current and up to date maintenance logs and other appropriate documentation detailing the Equipment's then-current configuration (including all replacements and additions made during the Rental Term) and all operating requirements and technical data regarding the setup, use and operation of the Equipment; and
 - (d) an in-depth field service report detailing the results of a physical inspection conducted by a representative of the manufacturer (or a qualified equipment maintenance provider acceptable to Lessor) certifying that the Equipment has been properly inspected, examined, tested, is operating within the manufacturer's specifications, conforms to all applicable laws and is in "Average Saleable Condition" as defined below.
4. Lessor shall have the right to attempt to resell or auction the Equipment from Lessee's facility with Lessee's full cooperation and assistance, for a period commencing with Lessor's receipt of the Return Notice and ending 180 days after the expiration of the Rental Term. Lessee agrees to pay the reasonable costs and expenses of such sale or auction (and all storage prior thereto), and agrees that the Equipment shall remain capable of operation during this period. Lessee shall provide adequate electrical power, lighting, heat, water and all other requirements sufficient to allow for normal maintenance and for demonstrations of the Equipment to any potential buyer.
5. For purposes of this Lease, "Average Saleable Condition" means:
 - (a) There is no structural damage to the Equipment, nor any bent frames or warped uprights; body, mast, hydraulic cylinder and fork(s) are free of any damage and each unit is able to operate normally in forward and reverse through all speed ranges or gears, and shall lift, lower and tilt properly when loaded to rated capacity.
 - (b) Attachments, if any, are in operating condition.
 - (c) Hydraulic cylinders are not bent or gouged.
 - (d) Hose reels and hose take up assemblies are not bent or damaged.
 - (e) All safety equipment, covers and guards, parts, pieces and components are in-place and operational.
 - (f) All engines, transmissions, gears, electric motors, clutches and drive axles are in good operating condition, with no leaks, smoking, slipping or grabbing.
 - (g) Annual hour usage has not exceeded 2000 hours per unit and total hour usage at end of term has not exceeded 6000 hours per unit, but Lessee agrees that additional hours used will be chargeable to Lessee at the rate of \$2.50 per hour per unit.
 - (h) All forklift body masts, hydraulic cylinders and forks are free of any accidental or other damage, and will operate as originally specified as to lifting capacity, height and length of reach.
 - (i) The engine operates at manufacturer's full specifications, with no oil leaks or smoke, and all transmissions, clutches and drive axles function properly with no slipping or grabbing.
 - (j) The brakes hold vehicle as specified by manufacturer with or without rated load and there is no heat discoloration or warpage caused by failure to release parking brake.
 - (k) The radiator and/or cooling system is free from leaks, punctures or holes and is able to maintain unit in normal operating temperature range.
 - (l) The batteries are sound by industry standards, there are no dead cells or cracked cases, and chargers, if supplied, will maintain and operate as specified by the manufacturer as to electrical output.
- (m) A complete set of current and up to date maintenance logs and other appropriate documentation detailing the Equipment's then current configuration (including a description of all replacements and additions thereto made during the Term of the Lease) and all operating requirements and technical data regarding the setup, use and operation of the Equipment.
- (n) All Lessee-installed markings that are not necessary for the operation, maintenance or repair of the Equipment have been removed from the Equipment, and the Equipment is painted in the same color scheme as when it was originally delivered to the Lessee.
- (o) Equipment is clean and all rust and corrosion has been treated.
- (p) Tires have at least 50% of tread life remaining with no flats, contain no dry rot on sidewalls and are capable of being recapped.
- (q) All equipment components with predictable or scheduled replacements or overhaul lives have not less than 50% useful life remaining before the next such replacement, overhaul, recalibration or rebuild.

(r) The Equipment should be in compliance with applicable safety requirements and capable of passing any inspection by any governmental or regulatory agency.

6. If in the sole judgment of Lessor, any item of Equipment is damaged or does not meet "Average Saleable Condition", as defined above, or if Lessee fails to discharge its obligations set forth above with regard to any item of Equipment, Lessee shall pay to Lessor, immediately upon demand, the costs of repairing or restoring such item of Equipment to "Average Saleable Condition"

Except as modified hereby, all of the terms, covenants and conditions of the Lease shall remain in full force and effect and are in all respects hereby ratified and affirmed.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Return/Maintenance Rider as of as of the day and year first above written.

Lessor:

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

By: _____

Name: _____

Title: _____

Lessee:

ENTROPEX

By: Bechu _____

Name: K. BZENARO _____

Title: PRESIDENT _____



Pre-Authorized Debit (PAD) Authorization

Contract/Reference No. 577211 (the "Contract")

PAYOR (CUSTOMER) INFORMATION:

Name:	ENTROPEX	Address:	1271 LOUGAR AVENUE
City:	SARNIA	Province:	ON
Postal Code:	N7S 5N5	Phone No.:	519 332 0430
Email:	RHICKS@ENTROPEX.COM	Fax No.:	

BANK ACCOUNT INFORMATION:

Please see attached VOID cheque, which must be attached to this form

PAD DETAILS:

Type of Payment: Personal Business (select one)

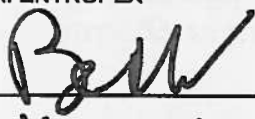
I/We (the "Undersigned") hereby authorizes and directs DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (the "Payee") to debit the account identified on the attached void cheque maintained at the financial institution designated on the attached void cheque (or any other account the Undersigned may authorize at any time) monthly with the amount of payments owing by the Undersigned to the Payee under the Contract in accordance with the payment terms provided in the Contract.

The Undersigned hereby waives its right to receive pre-notification from the Payee of the amount of any debit authorized by this agreement and further agrees that it does not require advance notice of the amount of any debit authorized by this agreement before such debit is processed by the Payee.

This authorization is to remain in effect until the Payee has received written notification from the Undersigned of its change or termination. This notification must be received at least thirty (30) days before the next debit is scheduled at the address provided below. The Undersigned may obtain a sample cancellation form, or more information on the Undersigned's right to cancel a PAD Agreement at the Undersigned's financial institution or by visiting www.cdnpay.ca. The cancellation of the authorization given by the Undersigned by this agreement will not relieve or otherwise affect the obligations of the Undersigned to the Payee under the Contract.

The Undersigned has certain recourse rights if any debit does not comply with this agreement. For example, the Undersigned has the right to receive reimbursement from any debit that is not authorized or is not consistent with this agreement. To obtain more information on recourse rights of the Undersigned, the Undersigned may contact its financial institution or visit www.cdnpay.ca.

CUSTOMER: ENTROPEX

Signature: 	Signature: _____
Name: <u>K BECHARD</u>	Name: _____
Title: <u>PRESIDENT</u>	Title: _____
Date: <u>MARCH 17, 2015</u>	Date: _____

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Tel: 1-877-523-5515, Fax: 1-877-500-5360, Email: clientservices-ca@leasedirect.com

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Invoice

Invoice Number: 577211
Due Date: upon receipt

ENTROPEX

Equipment/ Product 2011 CATERPILLAR 2C6000 FORKLIFT C/W ATTACHMENTS AND ACCESSORIES

Contract Number	Period Covered	Amount	HST/GST	PST/QST	Total
577211	First Payment	\$471.79	\$61.33		\$533.12
	Last Payment	\$471.79	\$61.33		\$533.12
	Documentation Fee	\$150.00	\$19.50		\$169.50

TOTAL DUE \$1,235.74

Please note that if you are signing up for the pre-authorized payment plan (PAPP), you do not need to provide an initial payment cheque.

Thank You For Your Business!

HST/GST 86265 7327 RT0001 QST 1023745573 TQ0001

If you have any questions concerning this invoice, please call 1-877-526-7977.



EQUIPMENT LEASING AGREEMENT

Delivery Date:

Lease No. 577212

Lessee	ENTROPEX			
Address	Street	City	Province	Postal Code
	1271 LOUGAR AVENUE	SARNIA	ON	N7S 5N5
Contact	Name	Phone	Email Address	
	ROB HICKS	519 332 0430	RHICKS@ENTROPEX.COM	

LEASE DETAILS

Equipment	Supplier: HEWITT MATERIAL HANDLING INC			
	Qty	New/Used/Refin/Returb	Year/Make/Model/Serial Number	
	1	USED	2012 CATERPILLAR 2C6000 FORKLIFT s/n AT83F31350 CW ATTACHMENTS AND ACCESSORIES	
Equipment Address	(if different than above)			
Lease Payment	Term (in Months)	No. of Payments	Frequency	Lease Payment
	36	36	Monthly (First and Last Payable in Advance)	\$540.85 Plus Applicable Taxes
Schedules	CERTIFICATE OF ACCEPTANCE, RETURN/MAINTENANCE RIDER, PRE-AUTHORIZED DEBIT (PAD) AUTHORIZATION			

TERMS AND CONDITIONS

1. LEASE AND LEASE PAYMENTS. Lessor hereby leases the equipment described above or in any Schedule attached hereto including all parts, accessories, replacements, and additions and accessions, now and hereafter relating thereto or affixed thereon (collectively the "Equipment") to Lessee on the terms and conditions contained herein and elsewhere as is described in Section 4 below (collectively the "Lease"). Capitalized words not defined herein refer to terms appearing above. This Lease shall commence on the Delivery Date (as defined below) and shall continue from the Delivery Date for the number of months specified as the Term. Lessor will advise Lessee of the date that the Lease Payments shall commence, which may be the first or the fifteenth of the month following the Delivery Date or some other date. Lessee unconditionally agrees to pay Lessor, in advance, the number of Lease Payments, in the amounts set out above together with all applicable taxes and with the Frequency set forth above. Lessee's obligation to pay all Lease Payments and other sums due hereunder shall be absolute and unconditional and to the fullest extent permitted by applicable law shall not be affected by any circumstance whatsoever, it being the intention of the parties that all and other sums due hereunder shall continue to be payable by Lessee in all events and in the manner and at the times provided hereunder. Lessee cannot cancel or terminate this Lease for any reason. Lessee shall not at any time be entitled to prepay any Lease Payments due hereunder.

2. TITLE. Title to and ownership of the Equipment shall at all times be and remain vested in Lessor and shall not at any time pass to Lessee. Notwithstanding that Lessor has title to the Equipment during the Term of this Lease, Lessor shall not be liable for any loss, cost, expense or damage of any kind or nature whatsoever caused directly or indirectly by the Equipment or its use, operation or ownership or for any loss of business or other damage whatsoever and howsoever caused.

3. ACCEPTANCE OF EQUIPMENT. Lessee acknowledges that the Equipment has been purchased from the vendor by Lessor at the request of and in accordance with the instructions of Lessee. Lessee represents to Lessor that the Equipment has been (or will be) delivered to Lessee; that the Equipment has been (or will be) assembled and installed, is ready for use, is in satisfactory operating condition, is fit for all of Lessee's purposes. **LESSEE ACKNOWLEDGES THAT THE EQUIPMENT HAS BEEN ACCEPTED FOR THE PURPOSES OF THIS LEASE BY LESSEE ON THE DELIVERY DATE SET OUT ABOVE OR IN A SEPARATE CERTIFICATE OF ACCEPTANCE.**

4. ENTIRE LEASE AGREEMENT. THIS LEASE INCLUDING ANY SCHEDULES SPECIFIED ABOVE ("Schedules") AND THE STANDARD LEASE TERMS AND CONDITIONS ACCESSIBLE ONLINE AS DOCUMENT NUMBER: 352J38Z AT WWW.SEEMYTERMS.COM ("Standard Lease Terms") CONSTITUTE THE ENTIRE AGREEMENT BETWEEN LESSOR AND LESSEE RELATING TO THE LEASE OF THE EQUIPMENT and supersedes all prior agreements or understandings, oral or written, with respect thereto and shall not be modified or amended except by written agreement signed by the parties. Any Schedules and the Standard Lease Terms are hereby incorporated into this Lease by this reference. This Lease shall not become binding upon Lessor until accepted by Lessor, as evidenced by, among other things, Lessor's payment to the vendor for the purchase of the Equipment. In the event this Lease involves 2 or more Lessees ("Co-Lessees"), each Co-Lessee will be held jointly and severally liable under the terms and conditions of this Lease including for all amounts due or becoming due under this Lease. If any provision of this Lease is invalid, illegal or unenforceable, it shall not affect the validity, legality or enforceability of any other provision of this Lease. Lessee agrees that any photocopy, faxed copy or other reproduction of this Lease as executed by Lessee shall be binding on Lessee to the same extent as an originally executed version of this Lease, and Lessor's photocopy, faxed copy or reproduction of this Lease may be used by Lessor in any court proceeding. The parties agree that this Lease and all documents related thereto be written in the English language. Les parties aux présentes conviennent que ce Lease et tous les documents s'y rattachant soient rédigés en anglais.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Lease. LESSEE ACKNOWLEDGES THAT LESSEE HAS READ, UNDERSTOOD AND AGREES TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THIS LEASE, ANY SCHEDULES AND THE STANDARD LEASE TERMS ACCESSIBLE ONLINE AS DOCUMENT NUMBER: 352J38Z AT WWW.SEEMYTERMS.COM.

Lessor: DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Lessee: ENTROPEX

By: _____

By: _____

Name:

Name: **W. EDWARD**

Title:

Title: **PRESIDENT**

Certificate of Acceptance

Lessor: DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (herein called "Lessor"), 3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Lessee: ENTROPEX (herein called "Lessee"), 1271 LOUGAR AVENUE, SARNIA, ON, N7S 5N5

1. Lessor and Lessee have heretofore entered into Equipment Leasing Agreement No. 577212 (the "Lease"). The Lease provides for the execution and delivery of a Certificate of Acceptance substantially in the form hereof for the purpose of confirming the acceptance and lease of the Equipment under this Lease in accordance with the terms thereof and hereof. Unless otherwise defined herein, capitalized terms used herein shall have the same meanings specified in the Lease.

2. Lessee (and Co-Lessee, if applicable) hereby certifies and agrees that:

- (a) Lessee has selected the manufacturer(s) and supplier(s) of the Equipment;
- (b) The Equipment is situated in the location(s) set out in the Lease;
- (c) The Equipment has been assembled and installed, is ready for use, is in good working condition and is satisfactory for all of Lessee's purposes;
- (d) Lessee has accepted delivery of the Equipment for all purposes on the ____ day of _____, 20 ____ (the "Delivery Date");
- (e) Lessee hereby approves and authorizes payment to be made by Lessor to the supplier of the Equipment; and,
- (f) A facsimile copy of this Certificate of Acceptance as executed by Lessee may be treated as an original and will be admissible as evidence of this Certificate and Lessee's acceptance of the Equipment.

Lessee:

ENTROPEX

By: _____

Name: _____

Title: _____

[Handwritten Signature]

 K. BEINHARD

 PRESIDENT



Return/Maintenance Rider Material Handling

This **Return/Maintenance Rider** dated March 12, 2015 is executed in connection with, and made a part of, Equipment Leasing Agreement No. 577212 (the "Lease"). Unless otherwise specified herein, all capitalized terms shall have the meanings ascribed to them in the Lease. To the extent that any of the terms and conditions of this Return/Maintenance Rider are contrary to or inconsistent with any terms and conditions of the Lease, the terms and conditions of this Return/Maintenance Rider shall govern.

Lessor and Lessee hereby agree as follows:

ADDITIONAL RETURN & MAINTENANCE REQUIREMENTS.

1. Notwithstanding any other provisions set out in the Lease, the following shall apply to Lessee's return of all, but not less than all of the Equipment covered by the Lease.
2. Under no circumstances shall Lessee be permitted to return less than all of the Equipment covered by the Lease.
3. Lessee shall give Lessor at least 90, but not more than 180, days written notice that Lessee is returning all of the Equipment as provided for herein (the "Return Notice") and shall include with such notice:
 - (a) a detailed inventory of all components of the Equipment including all model and serial numbers;
 - (b) a complete set of current and up to date service and operating manuals for the Equipment;
 - (c) a complete set of current and up to date maintenance logs and other appropriate documentation detailing the Equipment's then-current configuration (including all replacements and additions made during the Rental Term) and all operating requirements and technical data regarding the setup, use and operation of the Equipment; and
 - (d) an in-depth field service report detailing the results of a physical inspection conducted by a representative of the manufacturer (or a qualified equipment maintenance provider acceptable to Lessor) certifying that the Equipment has been properly inspected, examined, tested, is operating within the manufacturer's specifications, conforms to all applicable laws and is in "Average Saleable Condition" as defined below.
4. Lessor shall have the right to attempt to resell or auction the Equipment from Lessee's facility with Lessee's full cooperation and assistance, for a period commencing with Lessor's receipt of the Return Notice and ending 180 days after the expiration of the Rental Term. Lessee agrees to pay the reasonable costs and expenses of such sale or auction (and all storage prior thereto), and agrees that the Equipment shall remain capable of operation during this period. Lessee shall provide adequate electrical power, lighting, heat, water and all other requirements sufficient to allow for normal maintenance and for demonstrations of the Equipment to any potential buyer.
5. For purposes of this Lease, "Average Saleable Condition" means:
 - (a) There is no structural damage to the Equipment, nor any bent frames or warped uprights; body, mast, hydraulic cylinder and fork(s) are free of any damage and each unit is able to operate normally in forward and reverse through all speed ranges or gears, and shall lift, lower and tilt properly when loaded to rated capacity.
 - (b) Attachments, if any, are in operating condition.
 - (c) Hydraulic cylinders are not bent or gouged.
 - (d) Hose reels and hose take up assemblies are not bent or damaged.
 - (e) All safety equipment, covers and guards, parts, pieces and components are in-place and operational.
 - (f) All engines, transmissions, gears, electric motors, clutches and drive axles are in good operating condition, with no leaks, smoking, slipping or grabbing.
 - (g) Annual hour usage has not exceeded 2000 hours per unit and total hour usage at end of term has not exceeded 6000 hours per unit, but Lessee agrees that additional hours used will be chargeable to Lessee at the rate of \$2.50 per hour per unit.
 - (h) All forklift body masts, hydraulic cylinders and forks are free of any accidental or other damage, and will operate as originally specified as to lifting capacity, height and length of reach.
 - (i) The engine operates at manufacturer's full specifications, with no oil leaks or smoke, and all transmissions, clutches and drive axles function properly with no slipping or grabbing.
 - (j) The brakes hold vehicle as specified by manufacturer with or without rated load and there is no heat discoloration or warpage caused by failure to release parking brake.
 - (k) The radiator and/or cooling system is free from leaks, punctures or holes and is able to maintain unit in normal operating temperature range.
 - (l) The batteries are sound by industry standards, there are no dead cells or cracked cases, and chargers, if supplied, will maintain and operate as specified by the manufacturer as to electrical output.
 - (m) A complete set of current and up to date maintenance logs and other appropriate documentation detailing the Equipment's then current configuration (including a description of all replacements and additions thereto made during the Term of the Lease) and all operating requirements and technical data regarding the setup, use and operation of the Equipment.
 - (n) All Lessee-installed markings that are not necessary for the operation, maintenance or repair of the Equipment have been removed from the Equipment, and the Equipment is painted in the same color scheme as when it was originally delivered to the Lessee.
 - (o) Equipment is clean and all rust and corrosion has been treated.
 - (p) Tires have at least 50% of tread life remaining with no flats, contain no dry rot on sidewalls and are capable of being recapped.
 - (q) All equipment components with predictable or scheduled replacements or overhaul lives have not less than 50% useful life remaining before the next such replacement, overhaul, recalibration or rebuild.

(r) The Equipment should be in compliance with applicable safety requirements and capable of passing any inspection by any governmental or regulatory agency.

6. If in the sole judgment of Lessor, any item of Equipment is damaged or does not meet "Average Saleable Condition", as defined above, or if Lessee fails to discharge its obligations set forth above with regard to any item of Equipment, Lessee shall pay to Lessor, immediately upon demand, the costs of repairing or restoring such item of Equipment to "Average Saleable Condition"

Except as modified hereby, all of the terms, covenants and conditions of the Lease shall remain in full force and effect and are in all respects hereby ratified and affirmed.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Return/Maintenance Rider as of as of the day and year first above written.

Lessor:

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

By: _____

Name: _____

Title: _____

Lessee:

ENTROPEX

By: 

Name: K. BECKMANN

Title: PRESIDENT



Pre-Authorized Debit (PAD) Authorization

Contract/Reference No. 577212 (the "Contract")

PAYOR (CUSTOMER) INFORMATION:

Name:	ENTROPEX	Address:	1271 LOUGAR AVENUE
City:	SARNIA	Province:	ON
Postal Code:	N7S 5N5	Phone No.:	519 332 0430
Email:	RHICKS@ENTROPEX.COM	Fax No.:	

BANK ACCOUNT INFORMATION:

Please see attached VOID cheque, which must be attached to this form

PAD DETAILS:

Type of Payment: Personal Business (select one)

I/We (the "Undersigned") hereby authorizes and directs DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. (the "Payee") to debit the account identified on the attached void cheque maintained at the financial institution designated on the attached void cheque (or any other account the Undersigned may authorize at any time) monthly with the amount of payments owing by the Undersigned to the Payee under the Contract in accordance with the payment terms provided in the Contract.

The Undersigned hereby waives its right to receive pre-notification from the Payee of the amount of any debit authorized by this agreement and further agrees that it does not require advance notice of the amount of any debit authorized by this agreement before such debit is processed by the Payee.

This authorization is to remain in effect until the Payee has received written notification from the Undersigned of its change or termination. This notification must be received at least thirty (30) days before the next debit is scheduled at the address provided below. The Undersigned may obtain a sample cancellation form, or more information on the Undersigned's right to cancel a PAD Agreement at the Undersigned's financial institution or by visiting www.cdnpay.ca. The cancellation of the authorization given by the Undersigned by this agreement will not relieve or otherwise affect the obligations of the Undersigned to the Payee under the Contract.

The Undersigned has certain recourse rights if any debit does not comply with this agreement. For example, the Undersigned has the right to receive reimbursement from any debit that is not authorized or is not consistent with this agreement. To obtain more information on recourse rights of the Undersigned, the Undersigned may contact its financial institution or visit www.cdnpay.ca.

CUSTOMER: ENTROPEX

Signature: 

Signature: _____

Name: K. BEUHARD

Name: _____

Title: PRESIDENT

Title: _____

Date: MARCH 17, 2015

Date: _____

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Tel: 1-877-523-5515, Fax: 1-877-500-5360, Email: clientservices-ca@leasedirect.com

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.
3450 SUPERIOR COURT, OAKVILLE, ON, L6L 0C4

Invoice

Invoice Number: 577212

Due Date: upon receipt

ENTROPEX

Equipment/ Product 2012 CATERPILLAR 2C6000 FORKLIFT C/W ATTACHMENTS AND ACCESSORIES

Contract Number	Period Covered	Amount	HST/GST	PST/QST	Total
577212	First Payment	\$540.85	\$70.31		\$611.16
	Last Payment	\$540.85	\$70.31		\$611.16
	Documentation Fee	\$150.00	\$19.50		\$169.50

TOTAL DUE \$1,391.82

Please note that if you are signing up for the pre-authorized payment plan (PAPP), you do not need to provide an initial payment cheque.

Thank You For Your Business!

HST/GST 86265 7327 RT0001 QST 1023745573 TQ0001

If you have any questions concerning this invoice, please call 1-877-526-7977.



A SUBSIDIARY OF HEWITT EQUIPMENT LIMITED

Toronto
 425 Millway Avenue
 Concord, Ontario
 L4K 3V8
 Tel: 905-669-6590
 1-800-669-LIFT (6438)
 Fax: 905-669-1892

Hamilton
 369 Glover road
 Stoney Creek, Ontario
 L8E 6C9
 Tel: 905-643-6072
 1-888-769-LIFT
 Fax: 905-643-7289

Kitchener
 1045 Trillium Drive,
 Kitchener, Ontario
 N2R 1A7
 Tel: 519-893-1622
 1-888-769-LIFT
 Fax: 519-893-1966

London
 69 Intrepid Court
 London, Ontario
 N5V 4N8
 Tel: 519-659-2616
 1-888-769-LIFT
 Fax: 519-659-4389

LIFT TRUCK RENTAL AGREEMENT

No. F07055
 Date

ENTROPEX 1271 LOUGAR AVE SARNIA ON N7S 5N5		ENTROPEX 1271 LOUGAR AVE SARNIA ON N7S 5N5	
Customer No. M002269	Lease Term	Attention of rhicks@entropex.com	Phone No.
Order Number: ROB HICKS	Authorized by ROB HICKS	Phone No. 519 332 0430	
Ship via WB022	Date of Shipment JULY 14 2014	Meter Hours 0	
Equipment No. L012971	Make, Model and Serial No. A1 2C5000 AT3540645	Replacement Value \$35,000	
EQUIPMENT SPECIFICATION			
Capacity / Weight 5000	Sideshift YES	OTHER EQUIPMENT -TIRES, LIGHTS, FORKS, ATTACHMENTS, STRUCTURAL & ALL COSMETIC DAMAGES ARE THE RESPONSIBILITY OF THE CUSTOMER. PLEASE REFER TO TERMS AND CONDITIONS OF RENTAL	
Mast TRIPLE	Propane Tank		
Engine PROPANE	Forks 48"		
Truck Dimensions	Charger	ADDITIONAL TERMS \$9 OVERTIME RATE APPLICABLE TO ALL HOURS IN EXCESS OF BASE USE PERIOD	
Tire CUSHION	Battery		
RENTAL RATE		SPECIAL INSTRUCTIONS	
Minimum Rental Charge	Day \$145	Week \$400	4 Weeks \$1175
Base Use period (Meter Hours)	Day 8	Week 40	4 Weeks 160
MINIMUM RENT: Minimum rent is payable throughout the Lease Term whether the Equipment is in use or not. If application of the daily, weekly and/or monthly rental charges in the calculation of minimum rent payable for the Lease Term and any extensions thereof results in different totals, the minimum rental charge resulting in the lesser total will apply.			
ADDITIONAL RENT: The base use period shall correspond with the minimum rental charge. Where the meter hours recorded on the Equipment exceed the applicable base period, additional rent shall be payable equivalent to 100% of the minimum rent per meter hour in excess of the base use period.			
SALES TAX	TAX EXEMPT NO. (if any)		
Unless Tax Exempt No. is specified, Lessee shall pay upon demand all sales tax liability in respect of this transaction as additional rent.			
TRANSPORTATION \$0 SWAP As above, or to be arranged and paid by Customer.			
INTEREST Interest shall be paid on all overdue payments at the rate of 2.0% per month (24.00% per annum). 14% CHARGE TO APPLY IF INSURANCE IS NOT PROVIDED			
		BY EXECUTION OF THIS AGREEMENT LESSEE ACKNOWLEDGES HAVING RECEIVED A COPY OF THIS AGREEMENT AND AGREES TO BE BOUND BY THE TERMS AND CONDITIONS HEREOF, INCLUDING AS STIPULATED ON THE REVERSE SIDE HEREOF.	
		A Subsidiary of Hewitt Equipment Limited PER PRINT : _____ SIGN : _____	
		BY SIGNING THE ABOVE, YOU AGREE TO THE RENTAL TERMS AND CONDITIONS LESSEE	

AGREEMENT

RENTAL TERMS AND CONDITIONS

1. **GRANT OF LEASE:** Hewitt Material Handling (the "Company") hereby leases to the Lessee the Equipment described herein and the Lessee agrees to pay all rent specified when required as set out herein.
2. **LEASE TERM:** The lease term shall be as set out herein and, subject to the provisions hereof, shall terminate on the later of the date specified and the date upon which the Equipment is returned to the Company's warehouse.
3. **LEASE PAYMENTS:** Rental rates shall be determined by the duration of the rental period and payments shall be due and payable upon receipt of invoice. Payments should be applied at the discretion of the Company.
4. **LOCATION OF EQUIPMENT:** The Equipment shall remain at the Lessee's location as specified herein and shall not be removed from such location without the written consent of the Company.
5. **DELIVERY:** Delivery shall be taken by Lessee at the Company's warehouse and all costs and risks of transporting the Equipment shall be assumed by the Lessee.
6. **CARE:** The Lessee shall take all reasonable steps to protect the Equipment from the elements including the provision of suitable shelter, shall permit only competent operators to use the Equipment and shall maintain the Equipment in good repair, condition and working order, normal wear and tear excepted. The company shall have access to the Equipment at all times for inspection.
7. **ALTERATIONS:** The Lessee shall make no alterations, additions or improvements to the Equipment without the written consent of the Company. Any alterations or improvements made shall become the property of the Company.
8. **DAMAGE:** The Lessee shall be liable to the Company for all loss or damage to the Equipment while in the possession of the Lessee and in the event of loss or damage not capable of repair, the Lessee shall compensate the Company based upon the Replacement Value of the Equipment as specified herein. If damage is capable of repair the Company shall be entitled to require the Lessee to repair at the Lessee's expense, or at the Company's option, the Company may make such repairs, charging the cost thereof to the Lessee at the Company's normal repair rate. The Lessee shall maintain property damage insurance covering the Equipment against such loss or damage in an amount not less than the Replacement Value herein specified and shall provide the Company with evidence thereof upon demand.
9. **INDEMNITY AND INSURANCE:** Lessee shall indemnify and save harmless the Company against all loss, expenses, penalties, damages, condemnations and legal costs which the Company may suffer or may be required to pay in respect of personal injury, including death and/or property damage suffered by any person by reason of the operation, handling, transportation or use of the Equipment while in the possession of the Lessee. The Lessee shall maintain public liability insurance against damage to property or persons from such use of the Equipment in such amounts as are satisfactory to the Company and shall provide the company with evidence thereof upon demand.
10. **COMPANY'S REPRESENTATION:** The Equipment is represented to be in good working order at the time of delivery but the Company does not make any representation to the Lessee as to the suitability of the Equipment for a particular type of work. The Company's liability to the Lessee hereunder shall be limited to the amounts paid as rent hereunder.
11. **TERMINATION:** If the Lessee fails to make payment of any instalment of rent within (30) days of invoice, or becomes bankrupt or insolvent or breaches a provision of the agreement or if the Equipment becomes liable to seizure, the Company may at it's option, terminate this lease without notice. This lease may also be terminated at any time by the Company without cause upon 24 hours written or verbal notice to the Lessee. On termination for any reason, the Company may take such steps as are necessary to repossess the Equipment without becoming liable for trespass and may recover all rents and other amounts due hereunder and all expenses incurred in repossessing the Equipment. In the event of termination by the Company all right of the Lessee to possession of the Equipment shall immediately cease. In the event of termination the Lessee shall be liable to the Company for all reasonable legal fees and expenses relating to enforcement of the terms of this agreement.
12. **SURRENDER:** Upon expiration or earlier termination of this lease the Lessee shall return the Equipment to the Company in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering the Equipment at Lessee's cost to the Company's warehouse. The Company reserves the right to refuse acceptance of the Equipment in dirty or damaged condition and continue charging rent until the Equipment is returned in an acceptable state.
13. **MAINTENANCE TIME:** All service and repairs will conduct during the period of 8:00AM to 4:30PM Monday-Friday. Work requested by the customer at other than normal working hours will be invoiced at the current prevailing differential between standard and over time labour rates.
14. **OWNERSHIP:** The Equipment is and shall at all times be and remain the sole and exclusive property of the Company and the Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this lease. Nothing contained in this lease shall be construed as an agreement to purchase and the Lessee shall have no option to purchase the Equipment.
15. **WHOLE AGREEMENT:** The Lessee acknowledges that this lease constitutes the whole agreement between the parties, that examination of the Equipment has been made by or on behalf of the Lessee prior to execution hereof, and that there are no representations, warranties or conditions, express or implied, statutory or otherwise, other than as set out herein and no oral agreement, guarantee, promise, condition, representation or warranty shall be binding upon the Company.
16. **I.D. PLATES:** The Lessee shall ensure that any identification plates affixed to the Equipment at time of delivery shall remain affixed during the term of this lease.
17. **NO ABATEMENT:** Rent shall be payable without abatement for any reason during the term of this lease.
18. **EARLY TERMINATION BY LESSEE:** In the event the Lessee, should terminate this agreement prior to expiration of the Lease Term and any extensions thereof, minimum rent shall be payable for the balance of the Lease Term.
19. **ASSIGNMENT BY LESSEE:** The lease shall not be assignable by the Lessee.
20. **ASSIGNMENT BY COMPANY:** This lease may be assigned by the Company without consent of the Lessee.
21. **GOVERNING LAW:** This lease shall be governed by the law of the Province wherein delivery to the Lessee of the Equipment is made.
22. **SUBSTITUTE EQUIPMENT:** If for any reason following execution of this agreement the Company is not able to provide the Equipment specified herein it shall be entitled to provide substitute equipment having the same specifications as set out herein and this agreement shall apply for all purposes to such substitute equipment.
23. **TAXES:** Unless tax exempt certificate (s) is (are) provided, Lessee shall pay upon demand all tax liability in respect of this transaction as additional rent.

NOTE TO OUR VALUED CUSTOMERS.

**WE DO NOT WANT YOU TO HAVE ANY SURPRISES. IF YOU RETURN THE UNIT TO US DAMAGED, PLEASE EXPECT TO BE BILLED.
APPROXIMATE REPLACEMENT/ REPAIR COSTS (MAY VARY BY MODEL):**

PAINT: UP TO \$1000 MISSING KEYS: \$10-\$30 SIDE PANEL \$500 EACH FLOOR MATS: \$100-\$400 LBR: \$500-\$1000 STROBE: \$150-\$600

CURRENT LABOUR DOOR RATE: \$106.50 PER HOUR

PLEASE BE GENTLE WITH YOUR RENTAL. THANK YOU. WE GREATLY APPRECIATE YOUR BUSINESS.

CUSTOMER INITIALS: _____ **PLEASE INITIAL**



LEASE AGREEMENT NO.: 073812

ACCOUNT NO.: 814342

CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
 456 Mcgregor Road
 P.O. Box: 2391
 Sarnia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

Modular Space Corporation, ModSpace Financial Services Canada, Ltd hereby leases the equipment specified below (the "Equipment") to:

Entropex
 1271 Lougar Ave.
 SARNIA
 ON N7S 5N5
 Customer Contact: Joe Sharpe
 Telephone: 519-332-0430
 Fax: 519-332-8220
 P.O. #: To Be Issued

The Equipment will be located at (subject to Section 4 on attached page):

1271 Lougar Ave.
 SARNIA
 ON N7S 5N5

Customer hereby leases Equipment from ModSpace for a minimum period of 12 months (the "Minimum Lease Period") from the start of the lease term in accordance with the terms and conditions of this Lease Agreement including the terms and conditions set forth on the attached page (this "Lease"). Rental month is defined as a thirty-day period.

Customer agrees to pay ModSpace without demand and in advance the monthly rental and other charges on the due dates set forth in this Lease. The anticipated delivery date for the Equipment, subject to Section 3(c) on the attached page, will be on or about the 28th day of June, 2010.

Customer hereby accepts the Damage Waiver subject to Section 10 on the attached page.

 Initial

Customer hereby accepts the Liability Waiver Option subject to Section 10 on the attached page.

 Initial

Unit	Class	Width	Length	Serial No.	Monthly	Weekly	Daily	Insurance Value
601411	SNGL10	10'	40'	140020968	\$275.00	\$63.29	\$9.04	\$22,996

ONE TIME CHARGES	
DELIVERY	
BUILDING DELIVERY (Qty: 1)	
NO CHARGE OVER 6 MONTH RENTAL COMMITMENT.	
INSTALLATION	
BLOCK AND LEVEL (Qty: 1 at \$140.00)	\$140.00
RETURN DELIVERY	
BUILDING RETURN* (Qty: 1 at \$200.00)	\$200.00
DISMANTLING	
UNBLOCK* (Qty: 1 at \$140.00)	\$140.00
Total	
	\$480.00
Sales Tax(One Time)	
	\$62.40
Grand Total(OneTime)	
	\$542.40

MONTHLY CHARGES	
UNIT	\$275.00
Insurance/Waiver Charges	
Liability Waiver	
(Units: 1 at \$1.16 = \$1.16 per day)	\$34.80
Comprehensive Waiver	
(Units: 1 at \$1.16 = \$1.16 per day)	\$34.80
RENTAL	
STEPS (Qty: 2 at \$30.00)	\$60.00
Total	
	\$404.60
Sales Tax(Monthly Lease Items)	
	\$43.55
Grand Total(Monthly)	
	\$448.15

** Billed at Termination

DAILY: \$9.04
 WEEKLY: \$63.29

#Tax rates will vary with delivery address. Taxes are subject to change by tax authorities without notice.



LEASE AGREEMENT NO.: 073812

ACCOUNT NO.: 814342

CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Samia
 456 Mcgregor Road
 P.O. Box: 2391
 Samia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

(Continued)

No agent, employee or representative of ModSpace has any authority to make any representation or warranty concerning the Equipment that is not specifically included in this Lease. Unless specifically identified in this Lease, this Lease supersedes all prior negotiations, proposals and documents. This Lease will not be subject to any additional provision that may be contained in the Customer's purchase order, although Customer's purchase order number may be used by the parties as a convenient reference for invoicing purposes.

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECONDARY SECURITY INTERESTS OF KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, PURSUANT TO THAT CERTAIN FINANCING AGREEMENT, DATED AS OF MARCH 30, 2007, AMONG MODULAR SPACE CORPORATION, FORMERLY KNOWN AS RESUN LEASING, INCORPORATED, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER, MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.

001) Any modifications or improvements to the unit require the written consent of ModSpace.

002) Buildings equipped with hot water tanks must be filled with water BEFORE turning ON the power breaker.

003) Use a removable adhesive (NOT Staples, glue, screws or nails) to attach items to the walls and remove them before the unit is returned. Failure to do so will result in a charge-back to the Lessee.

004) Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee. 004) Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee.

(005) Rental rate is based on the agreed monthly term listed above "Minimum lease period", and will be billed fully to this term. * ET (Early Termination) charge will apply if building is returned prior to completion of this term. This is a Straight Rental (Not a Finance Lease to Purchase), and rental Payments are not applied to any future purchase price.

006) Customers are responsible for the removal of any excessive accumulation of snow on the roof. Use only plastic shovels, taking care not to damage the surface by making contact with the roof as this could result in repair costs that would be charged back to the Lessee.

(007) Return Transportation / Dismantle costs are ESTIMATED, and subject to prevailing rates after the rental (a change in site conditions, cargo/liability Insurance, labour rates or fuel surcharges).

(008) A minimum cleaning charge will be billed out at \$150.00 (52' - 60'), \$125.00 (40'), \$100.00 (20' - 32') per unit. cleaning deemed excessive will be charged at \$95.00 per hr. Acrylic mats to be used under desk chairs to protect the floor. * Regular maintenance is the customers responsibility (Light bulbs, Janitorial, & Furnace Filters must be cleaned and or changed as required) Exterior ModSpace decals are not to be removed from building. If customer is installing skirting, then proper vents must be installed to prevent floor rot.

009) Winterize buildings equipped with plumbing BEFORE disconnecting power.

010) All trailers do not come equipped with mast. Lessee is to advise ModSpace if one is required.

(011) Down time on site in excess of 1/2 hr will be billed at \$85.00 per hr for wheeled units & \$108.00 for frameless units.

(013) Lessee is responsible for all Electrical, Plumbing, and Air Conditioning hook ups to main source. Electrical 120/240 Volts, Single Phase, 3 Wire 60HZ Telephone

Conduits are not included in our modular buildings (Unless Specified and a bid has been included)

(015) Modular Space Corporation will be adhering to OBC article 2.1.1.7. (2) "Existing

Buildings" - "Where an existing previously occupied building is moved from the original location to be installed elsewhere, or is dismantled at the original location and moved to be reconstituted elsewhere, the Code applies only to changes to the design and construction of the building required as a result of moving the building."

ModSpace (or its customers) will apply for permit, understanding that effective January 1, 2006 an amendment to the Ontario Building Code has introduced a new standard permit application. Our designers will apply their required BCIN (Building Code Identification Number), and if applicable, the BCIN for the registered firm.

ModSpace will update the final installation to meet OBC conformity.

The temporary modular building complex proposed for this customer was constructed prior to January 1, 2006 and meets or exceeds the structural



LEASE AGREEMENT NO.: 073812

ACCOUNT NO.: 814342

CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
456 McGregor Road
P.O. Box: 2391
Sarnia
ON N7T 7S6
Telephone: 519-336-6284
Fax: 519-336-8248

(Continued)

requirements as outlined in Part 4 of the Ontario Building Code. ModSpace will upgrade all new or upgraded components as noted in sentence 2.1.1.7.

Customer is responsible for the difference between Union and Non-Union rates when completing standard service work on a Union site. Customer is responsible for all other site work costs due to union restrictions.

The attached page contains Terms and Conditions that form an integral part of this Lease. Those terms and conditions include but are not limited to disclaimers of warranties of merchantability and fitness and limitations on damages. The only other documents that form a part of this lease are: CN062998A.

Signed by duly authorized agents, with the intent to be legally bound, this ____ day of ____, 20__.

By _____
Modular Space Corporation AUTHORIZED AGENT

By _____
CUSTOMER OR AUTHORIZED AGENT

Name ANAND SOOKHOO

Name _____
(please print)

Accepted and Del. By: _____
Freight Vendor

Date: _____

Remarks: _____

Received and Accepted By: _____
Name: _____
(please print)

Date: _____

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECURITY INTERESTS OF, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, PURSUANT TO THAT CERTAIN THIRD AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF JUNE 6, 2011, AMONG MODULAR SPACE CORPORATION, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECONDARY SECURITY INTERESTS OF KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, PURSUANT TO THAT CERTAIN FINANCING AGREEMENT, DATED AS OF MARCH 30, 2007, AMONG MODULAR SPACE CORPORATION, FORMERLY KNOWN AS RESUN LEASING, INCORPORATED, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.



LEASE AGREEMENT NO.: 099726

ACCOUNT NO.: 814342

CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
 456 McGregor Road
 P.O. Box: 2391
 Sarnia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

Modular Space Corporation, ModSpace Financial Services Canada, Ltd hereby leases the equipment specified below (the "Equipment") to:

Entropex
 1271 Lougar Ave.
 SARNIA
 ON N7S 5N5
 Customer Contact: Joe Sharpe
 Telephone: 519-332-0430 X 103
 P.O. #: To Be Issued

The Equipment will be located at (subject to Section 4 on attached page):

1271 Lougar Ave.
 SARNIA
 ON N7S 1A0

Customer hereby leases Equipment from ModSpace for a minimum period of 12 months (the "Minimum Lease Period") from the start of the lease term in accordance with the terms and conditions of this Lease Agreement including the terms and conditions set forth on the attached page (this "Lease"). Rental month is defined as a thirty-day period.

Customer agrees to pay ModSpace without demand and in advance the monthly rental and other charges on the due dates set forth in this Lease. The anticipated delivery date for the Equipment, subject to Section 3(c) on the attached page, will be on or about the **15th day of November, 2010.**

Unit	Class	Width	Length	Serial No.	Monthly	Weekly	Daily	Insurance Value
155650	DESS	12'	40'	240002112	\$350.00	\$80.55	\$11.51	\$28,585

ONE TIME CHARGES		MONTHLY CHARGES	
DELIVERY		UNIT	
BUILDING DELIVERY (Qty: 1 at \$185.00)	\$185.00		\$350.00
INSTALLATION		Total	
BLOCK AND LEVEL (Qty: 1 at \$100.00)	\$100.00	Sales Tax(Monthly Lease Items)	\$45.50
RETURN DELIVERY		Grand Total(Monthly)	
BUILDING RETURN* (Qty: 1 at \$185.00)	\$185.00		\$395.50
DISMANTLING		DAILY:	\$11.51
UNBLOCK* (Qty: 1 at \$100.00)	\$100.00	WEEKLY:	\$80.55
Total			
Sales Tax(One Time)			
Grand Total(OneTime)			
	\$570.00		
	\$74.10		
	\$644.10		

*** Billed at Termination

#Tax rates will vary with delivery address. Taxes are subject to change by tax authorities without notice.

No agent, employee or representative of ModSpace has any authority to make any representation or warranty concerning the Equipment that is not specifically included in this Lease. Unless specifically identified in this Lease, this Lease supersedes all prior negotiations, proposals and documents. This Lease will not be subject to any additional provision that may be contained in the Customer's purchase order, although Customer's purchase order number may be used by the parties as a convenient reference for invoicing purposes.

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECONDARY SECURITY INTERESTS OF KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, PURSUANT TO THAT CERTAIN FINANCING AGREEMENT, DATED AS OF MARCH 30, 2007, AMONG MODULAR SPACE CORPORATION, FORMERLY KNOWN AS RESUN LEASING, INCORPORATED, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.

- 001) Any modifications or improvements to the unit require the written consent of ModSpace.
- 002) Buildings equipped with hot water tanks must be filled with water BEFORE turning ON the power breaker.
- 003) Use a removable adhesive (NOT Staples, glue, screws or nails) to attach items to the walls and remove them before the unit is returned. Failure to do so will result in a charge-back to the Lessee.
- 004) Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee. Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee.



LEASE AGREEMENT NO.: 099726
ACCOUNT NO.: 814342
CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
456 Mcgregor Road
P.O. Box: 2391
Sarnia
ON N7T 7S6
Telephone: 519-336-6284
Fax: 519-336-8248

(Continued)

(005) Rental rate is based on the agreed monthly term listed above "Minumum lease period", and will be billed fully to this term. * ET (Early Termination) charge will apply if building is returned prior to completion of this term. This is a Straight Rental (Not a Finance Lease to Purchase), and rental Payments are not applied to any future purchase price.

(006) Customers are responsible for the removal of any excessive accumulation of snow on the roof. Use only plastic shovels, taking care not to damage the surface by making contact with the roof as this could result in repair costs that would be charged back to the Lessee.

(007) Return Transportation / Dismantle costs are ESTIMATED, and subject to prevailing rates after the rental (a change in site conditions, cargo/liability Insurance, labour rates or fuel surcharges).

(008) A minimum cleaning charge will be billed out at \$150.00 (52' - 60'), \$125.00 (40'), \$100.00 (20' - 32') per unit. cleaning deemed excessivewill be charged at \$95.00 per hr. Acrylic mats to be used under desk chairs to protect the floor. * Regular maintenance is the customers responsibility (Light bulbs, Janitorial, & Furnace Filters must be cleaned and or changed as required) Exterior ModSpace decals are not to be removed from building. If customer is installing skirting, then proper vents must be installed to prevent floor rot.

(009) Winterize buildings equipped with plumbing BEFORE disconnecting power.

(010) All trailers do not come equipped with mast. Lessee is to advise ModSpace if one is required.

(011) Down time on site in excess of 1/2 hr will be billed at \$85.00 per hr for wheeled units & \$108.00 for frameless units.

(013) Lessee is responsible for all Electrical, Plumbing, and Air Conditioning hook ups to main source. Electrical 120/240 Volts, Single Phase, 3 Wire 60HZ Telephone Conduits are not included in our modular buildings (Unless Specified and a bid has been included)

(015) Modular Space Corporation will be adhering to OBC article 2.1.1.7. (2) "Existing Buildings" - "Where an existing previously occupied building is moved from the original location to be installed elsewhere, or is dismantled at the original location and moved to be reconstituted elsewhere, the Code applies only to changes to the design and construction of the building required as a result of moving the building."

ModSpace (or its customers) will apply for permit, understanding that effective January 1, 2006 an amendment to the Ontario Building Code has introduced a new standard permit application. Our designers will apply their required BCIN (Building Code Identification Number), and if applicable, the BCIN for the registered firm.

ModSpace will update the final installation to meet OBC conformity.

The temporary modular building complex proposed for this customer was constructed prior to January 1, 2006 and meets or exceeds the structural requirements as outlined in Part 4 of the Ontario Building Code. ModSpace will upgrade all new or upgraded components as noted in sentence 2.1.1.7.

Customer is responsible for the difference between Union and Non-Union rates when completing standard service work on a Union site. Customer is responsible for all other site work costs due to union restrictions.

The attached page contains Terms and Conditions that form an integral part of this Lease. **Those terms and conditions include but are not limited to disclaimers of warranties of merchantability and fitness and limitations on damages. The only other documents that form a part of this lease are: CN062998A.**

Signed by duly authorized agents, with the intent to be legally bound, this _____ day of _____, 20____.

By _____
Modular Space Corporation AUTHORIZED AGENT

By _____
CUSTOMER OR AUTHORIZED AGENT

Name ANAND SOOKHOO

Name _____
(please print)



LEASE AGREEMENT NO.: 099726

ACCOUNT NO.: 814342

CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
456 Mcgregor Road
P.O. Box: 2391
Sarnia
ON N7T 7S6
Telephone: 519-336-6284
Fax: 519-336-8248

(Continued)

Accepted and Del. By: _____ Date: _____
Freight Vendor

Remarks: _____

Received and Accepted By: _____ Date: _____
Name: _____
(please print)

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECURITY INTERESTS OF, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, PURSUANT TO THAT CERTAIN THIRD AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF JUNE 6, 2011, AMONG MODULAR SPACE CORPORATION, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECONDARY SECURITY INTERESTS OF KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, PURSUANT TO THAT CERTAIN FINANCING AGREEMENT, DATED AS OF MARCH 30, 2007, AMONG MODULAR SPACE CORPORATION, FORMERLY KNOWN AS RESUN LEASING, INCORPORATED, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.



FURNITURE LEASE

Furniture Lease Agreement No.: 099726F
 Building Lease Agreement No.: 099726
 Account No.: 814342
 Customer No.: 748371
 Page 1

Sarnia
 456 Mcgregor Road
 P.O. Box: 2391
 Sarnia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

Modular Space Corporation, ModSpace Financial Services Canada Ltd, (hereinafter referred to as "Lessor") does hereby lease the property described below ("Leased Property") for the quantity and the unit rental per mo. specified below:

Entropex
 1271 Lougar Ave.
 SARNIA
 ON N7S 5N5
 Customer Contact: Joe Sharpe
 Telephone: 519-332-0430 X 103
 P.O. #: To Be Issued

The Leased Property will be located at:

1271 Lougar Ave.
 SARNIA
 ON N7S 1A0

Lessee does hereby lease said Leased Property from Lessor on this 15th day of November, 2010 for a minimum period of 12 "Rental month(s) (the "Minimum Lease Period")."

Lessee may continue to lease the Leased Property designated herein after the expiration date pursuant to Section 4 of the "Terms and Conditions" of this Lease Agreement. Written notice by Lessee is required 60 days prior to the return of the Leased Property. Lessee agrees to pay Lessor without demand and in advance on the first day, the Rental Charge [Section 6(b) and 6(c) of the "Terms and Conditions"] indicated for the below listed property as follows:

MONTHLY CHARGES	
RENTAL	\$180.00
Total	\$180.00

LEASED PROPERTY							
Description	Qty	Unit Rent per Month	Extended	Lease Start Date	Termination	Unit	Size
Chair - Occasional	6	\$6.00		11/15/2010	11/22/2010	155650	12' x 40'
Chair - Steno	4	\$20.00	\$80.00	11/15/2010		155650	12' x 40'
Desk -30x60 Jr. Exec	4	\$25.00	\$100.00	11/15/2010		155650	12' x 40'
Folding Table -6'	2	\$20.00		11/15/2010	11/22/2010	155650	12' x 40'
Total			\$180.00				

Insurance Valuation \$10,800.00

Applicable state and local sale and use taxes and other direct taxes (Section 2(a) "Terms and Conditions"), shall be due and payable to the Lessor by the Lessee when invoiced. All charges due hereunder shall be remitted to Lessor at address as indicated upon Lessor's invoice.

It is understood and agreed that Lessee acknowledges receipt and return (upon termination) of the Leased Property specified above by Lessee's or Lessee's Authorized Agent's signature on a delivery or return receipt (upon termination) and said delivery or return receipt shall be incorporated as a part of this Agreement by reference herein. No agent, employee or representative of Lessor has any authority for any representation or warranty concerning the Leased Property that is not specifically included herein. Lessee acknowledges that it is not, in leasing the Leased Property, relying upon any warranty, promise or representation not set forth in this Agreement and assents to all provision or provision(s) inconsistent with this Agreement that may be contained in Lessee's Purchase Order.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement subject to the terms and conditions herein set forth and listed on all pages of this Agreement.

Signed by duly authorized agents, subject to Section 15 of the "Terms and conditions", this _____ day of _____, 20____.

By _____
 Modular Space Corporation AUTHORIZED AGENT
 Name ANAND SOOKHOO

By _____
 SIGNATURE OF LESSEE OR AUTHORIZED AGENT
 Name _____
 (please print)

Lessee or its authorized agent acknowledge receipt of the Leased Property listed above in accordance with Section 3(a) unless exceptions are noted:



LEASE AGREEMENT NO.: 154970
 ACCOUNT NO.: 814342
 CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
 456 McGregor Road
 P.O. Box: 2391
 Sarnia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

Modular Space Corporation, ModSpace Financial Services Canada, Ltd hereby leases the equipment specified below (the "Equipment") to:

Entropex
 1271 Lougar Ave.
 SARNIA
 ON N7S 5N5
 Customer Contact: Joe Sharpe
 Telephone: 519-336-1119
 P.O. #: Not Required

The Equipment will be located at (subject to Section 4 on attached page):

1271
 Lougar Ave
 SARNIA
 ON N7S 5N5

Customer hereby leases Equipment from ModSpace for a minimum period of 12 months (the "Minimum Lease Period") from the start of the lease term in accordance with the terms and conditions of this Lease Agreement including the terms and conditions set forth on the attached page (this "Lease"). Rental month is defined as a thirty-day period.

Customer agrees to pay ModSpace without demand and in advance the monthly rental and other charges on the due dates set forth in this Lease. The anticipated delivery date for the Equipment, subject to Section 3(c) on the attached page, will be on or about the **15th day of March, 2012.**

Unit	Class	Width	Length	Serial No.	Monthly	Weekly	Daily	Insurance Value
103716	DESS	12'	40'	1240P209398	\$375.00	\$86.30	\$12.33	\$25,163

ONE TIME CHARGES	
DELIVERY	
BUILDING DELIVERY (Qty: 1 at \$225.00)	\$225.00
INSTALLATION	
BLOCK AND LEVEL (Qty: 1 at \$150.00)	\$150.00
MODIFICATIONS	
INSTALL PARTITION (LABOR) (Qty: 1 at \$200.00)	\$200.00
RETURN DELIVERY	
BUILDING RETURN* (Qty: 1 at \$225.00)	\$225.00
DISMANTLING	
UNBLOCK* (Qty: 1 at \$150.00)	\$150.00
Total	\$950.00
Sales Tax(One Time)	\$123.50
Grand Total(OneTime)	\$1,073.50

MONTHLY CHARGES	
UNIT	\$375.00
RENTAL	
STEPS (Qty: 1)	
Included in 12 month rental	
DESK & TILT SWIVEL CHAIR (Qty: 2 at \$45.00)	\$90.00
Total	\$465.00
Sales Tax(Monthly Lease Items)	\$60.45
Grand Total(Monthly)	\$525.45

DAILY: \$12.33
 WEEKLY: \$86.30

** Billed at Termination

#Tax rates will vary with delivery address. Taxes are subject to change by tax authorities without notice.

No agent, employee or representative of ModSpace has any authority to make any representation or warranty concerning the Equipment that is not specifically included in this Lease. Unless specifically identified in this Lease, this Lease supersedes all prior negotiations, proposals and documents. This Lease will not be subject to any additional provision that may be contained in the Customer's purchase order, although Customer's purchase order number may be used by the parties as a convenient reference for invoicing purposes.

001) Any modifications or improvements to the unit require the written consent of ModSpace.

002) Buildings equipped with hot water tanks must be filled with water BEFORE turning ON the power breaker.

003) Use a removable adhesive (NOT Staples, glue, screws or nails) to attach items to the walls and remove them before the unit is returned. Failure to do so will result in a charge-back to the Lessee.

004) Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee. 004) Customers are responsible for routine maintenance ie replacing light ballasts. ModSpace can provide this work for a fee.

005) Rental rate is based on the agreed monthly term listed above "Minimum lease period", and will be billed fully to this term. * ET (Early Termination) charge will apply if building is returned prior to completion of this term. This is a Straight Rental (Not a Finance Lease to Purchase), and rental Payments are not applied to any future purchase price.

006) Customers are responsible for the removal of any excessive accumulation of snow on the roof. Use only plastic shovels, taking care not to damage the surface by making contact with the roof as this could result in repair costs that would be charged back to the Lessee.



LEASE AGREEMENT NO.: 154970
ACCOUNT NO.: 814342
CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
456 Mcgregor Road
P.O. Box: 2391
Sarnia
ON N7T 7S6
Telephone: 519-336-6284
Fax: 519-336-8248

(Continued)

- (007) Return Transportation / Dismantle costs are ESTIMATED, and subject to prevailing rates after the rental (a change in site conditions, cargo/liability Insurance, labour rates or fuel surcharges).
- (008) A minimum cleaning charge will be billed out at \$150.00 (52' - 60'), \$125.00 (40'), \$100.00 (20' - 32') per unit. cleaning deemed excessivewill be charged at \$95.00 per hr. Acrylic mats to be used under desk chairs to protect the floor. * Regular maintenance is the customers responsibility (Light bulbs, Janitorial, & Furnace Filters must be cleaned and or changed as required) Exterior ModSpace decals are not to be removed from building. If customer is installing skirting, then proper vents must be installed to prevent floor rot.
- 009) Winterize buildings equipped with plumbing BEFORE disconnecting power.
- 010) All trailers do not come equipped with mast. Lessee is to advise ModSpace if one is required.
- (011) Down time on site in excess of 1/2 hr will be billed at \$85.00 per hr for wheeled units & \$108.00 for frameless units.
- (013) Lessee is responsible for all Electrical, Plumbing, and Air Conditioning hook ups to main source. Electrical 120/240 Volts, Single Phase, 3 Wire 60HZ Telephone Conduits are not included in our modular buildings (Unless Specified and a bid has been included)
- (015) Modular Space Corporation will be adhering to OBC article 2.1.1.7. (2) "Existing Buildings" - "Where an existing previously occupied building is moved from the original location to be installed elsewhere, or is dismantled at the original location and moved to be reconstituted elsewhere, the Code applies only to changes to the design and construction of the building required as a result of moving the building."

ModSpace (or its customers) will apply for permit, understanding that effective January 1, 2006 an amendment to the Ontario Building Code has introduced a new standard permit application. Our designers will apply their required BCIN (Building Code Identification Number), and if applicable, the BCIN for the registered firm.

ModSpace will update the final installation to meet OBC conformity.

The temporary modular building complex proposed for this customer was constructed prior to January 1, 2006 and meets or exceeds the structural requirements as outlined in Part 4 of the Ontario Building Code. ModSpace will upgrade all new or upgraded components as noted in sentence 2.1.1.7.

Customer is responsible for the difference between Union and Non-Union rates when completing standard service work on a Union site. Customer is responsible for all other site work costs due to union restrictions.

The attached page contains Terms and Conditions that form an integral part of this Lease. **Those terms and conditions include but are not limited to disclaimers of warranties of merchantability and fitness and limitations on damages. The only other documents that form a part of this lease are: CD20110502.**

Signed by duly authorized agents, with the intent to be legally bound, this _____ day of _____, 20____.

By _____
Modular Space Corporation AUTHORIZED AGENT

By _____
CUSTOMER OR AUTHORIZED AGENT

Name Morgan Evans

Name _____
(please print)



LEASE AGREEMENT NO.: 154970
ACCOUNT NO.: 814342
CUSTOMER NO.: 748371

RETURN EQUIPMENT TO ModSpace:

Sarnia
456 McGregor Road
P.O. Box: 2391
Sarnia
ON N7T 7S6
Telephone: 519-336-6284
Fax: 519-336-8248

(Continued)

Accepted and Del. By: _____ Date: _____
Freight Vendor

Remarks: _____

Received and Accepted By: _____ Date: _____
Name: _____
(please print)

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECURITY INTERESTS OF, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, PURSUANT TO THAT CERTAIN THIRD AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF JUNE 6, 2011, AMONG MODULAR SPACE CORPORATION, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, BANK OF AMERICA, N.A., AS ADMINISTRATIVE AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.

ALL RIGHT, TITLE AND INTEREST OF MODULAR SPACE CORPORATION HEREUNDER HAS BEEN PLEDGED TO, AND IS SUBJECT TO THE SECONDARY SECURITY INTERESTS OF KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, PURSUANT TO THAT CERTAIN FINANCING AGREEMENT, DATED AS OF MARCH 30, 2007, AMONG MODULAR SPACE CORPORATION, FORMERLY KNOWN AS RESUN LEASING, INCORPORATED, THE OTHER BORROWERS PARTY THERETO, THE GUARANTORS PARTY THERETO, KKR SCF LOAN ADMINISTRATION, LLC, AS AGENT, AND THE LENDERS FROM TIME TO TIME PARTY THERETO, AS AMENDED, RESTATED, AMENDED AND RESTATED OR OTHERWISE MODIFIED FROM TIME TO TIME AND PURSUANT TO CERTAIN SECURITY DOCUMENTS DELIVERED THEREUNDER. MODULAR SPACE CORPORATION SHALL HAVE NO RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE RELEVANT LOAN DOCUMENTS.



LEASE AGREEMENT NO:

OFFER NO: 89179

ACCOUNT NO: 174572

**RETURN EQUIPMENT to
ModSpace:**

Sarnia
456 McGregor Road
Sarnia, ON

Phone: +CAD(519)336-6244
Fax +CAD(519)336-8248

Modular Space Corporation, ModSpace Financial Services Canada, Ltd ("ModSpace") hereby leases the equipment specified below (the "Equipment") to:

ENTROPEX
ATTN:Accounts Payables
1271 Lougar Ave.
ON, Sarnia N7S 5N5

The Equipment will be located at
(subject to Section 3 on attached page):

1271 Lougar
Sarnia, ON N7S5N5

Contact : Rob Hicks
Phone : (519)332-0430
PO # :
Proj Name:
Proj :

Customer hereby leases Equipment from ModSpace for a minimum term of 48 Month(s) (the "Minimum Lease Term" or "Term") from the start of the lease term in accordance with the terms and conditions of this Lease Agreement including the terms and conditions set forth on the attached page (this "Lease"). Rental month is defined as a thirty-day period.

Customer agrees to pay ModSpace without demand and in advance the Monthly rental and other charges on the due dates set forth in this Lease. The anticipated delivery date for the Equipment, subject to Section 3(c) on the attached page, will be on or about .

Unit	Class	Width	Length	Serial No.	Insurance Value	Term	Frequency	Rental Amount
10x20	SNGL1020	10.00	20.00	None	\$10,000.00	48	Monthly	\$215.00

ONE TIME CHARGES

Delivery		
Transportation of Building	(Qty: 1)	\$ 225.00
Installation		
Block & Level	(Qty: 1)	\$ 125.00
Return Delivery		
Transportation of Building	(Qty: 1)	\$ -
	One Time :	\$350.00

OTHER MONTHLY CHARGES

Rental	
Step Rental	(Qty: 1) \$30.00
Monthly : \$30.00	
Grand Total (Monthly) : \$245.00	

* Tax rates will vary with delivery address. Taxes are subject to change by tax authorities without notice.

** If Building Return and Removal rates are not specified, such charges will be billed at current rates at time of termination. **



LEASE AGREEMENT NO:

OFFER NO: 89179

ACCOUNT NO: 174572

RETURN EQUIPMENT to
ModSpace:

Sarna
456 McGregor Road
Sarna, ON

Phone +CAD(519)336-6284
Fax +CAD(519)336-8248

No agent, employee or representative of ModSpace has any authority to make any representation or warranty concerning the equipment that is not specifically included in this Lease. Unless specifically identified in this Lease, this Lease supersedes all prior negotiations, proposals and documents. This Lease will not be subject to any additional provision that may be contained in the Customer's purchase order, although Customer's purchase order number may be used by the parties as a convenient reference for invoicing purposes.

Customer is responsible for changing the HVAC filter at least every 30 days and will bear costs of repairs resulting from failure to change the filter or damages to the HVAC system resulting from extraordinary conditions.

Installation charges based on level, flat compacted surface not to exceed 6" slope within 100' or additional charges may apply. Additional charges will be billed in the event site is not ready or for any reason ModSpace is not allowed to do their scope of work upon arrival at site.

This Lease incorporates General Terms and Conditions, Form CD20130102, a copy of which can be provided in full text or viewed electronically on ModSpace's website at <http://www.modspace.ca/resources/customer-docs/> (Form CD20130102). These General Terms and Conditions include, but are not limited to, disclaimers of warranties of merchantability and fitness and limitation on damages. It is the Customer's responsibility to receive or obtain Form CD20130102. Customer's direction to deliver the Equipment or commence performance, whether such direction is verbal or in written form, serves as Customer's acceptance of all such terms and conditions contained therein.

If Customer has previously executed a Master Agreement with ModSpace, those terms and conditions shall govern this transaction.

Signed by duly authorized agents, with the intent to be legally bound, this 4 day of FEB 2015

By: [Signature]
(Customer or authorized agent)

By: [Signature]
(ModSpace authorized agent)

Name (Please print): ROBERT HICKS

Name (please print): MORGAN FLANS

Accepted and delivered by: _____

Date: FEB 6 2015

Remarks: _____

Received and accepted by: _____

Date: _____

ALL RIGHT, TITLE AND INTEREST OF MODSPACE FINANCIAL SERVICES CANADA, LTD ("LESSEE") AND RESUN CHIPPEWA, LLC (AS SUCCESSOR BY CONVERSION TO RESUN CHIPPEWA, INC.) (THE "LESSOR") HEREUNDER HAS BEEN PLEDGED TO, AND ARE SUBJECT TO THE SECURITY INTEREST OF (i) BANK OF AMERICA, N.A., AS FIRST LIEN AGENT, PURSUANT TO THAT CERTAIN THIRD AMENDED AND RESTATED SECURITY AGREEMENT DATED AS OF JUNE 6, 2011, BETWEEN THE LESSEE AND BANK OF AMERICA, N.A., AS FIRST LIEN AGENT, AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME (THE "FIRST LIEN SECURITY AGREEMENT"); AND (ii) WELLS FARGO BANK, NATIONAL ASSOCIATION, AS SECOND LIEN AGENT, PURSUANT TO THAT CERTAIN SECOND LIEN SECURITY AGREEMENT, DATED AS OF FEBRUARY 25, 2014, AMONG THE LESSEE, CERTAIN OF ITS AFFILIATES AND WELLS FARGO BANK, NATIONAL ASSOCIATION, AS SECOND LIEN AGENT, AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME (THE "SECOND LIEN SECURITY AGREEMENT", TOGETHER WITH THE FIRST LIEN SECURITY AGREEMENT, THE "SECURITY AGREEMENTS"). NEITHER THE LESSOR NOR THE LESSEE SHALL HAVE ANY RIGHT TO TRANSFER ITS RIGHT, TITLE OR INTEREST HEREUNDER TO ANY PARTY EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE CREDIT AGREEMENT OR INDENTURE, AS APPLICABLE, REFERRED TO IN THE RESPECTIVE SECURITY AGREEMENT.



Form: CDS20130102

TERMS AND CONDITIONS OF LEASE AGREEMENT

1. Lease

This transaction is an operating lease and not a sale or financing. Customer does not acquire through the Lease or by payment of rental under the Lease any right, title or interest in or to the Equipment (individually a "Unit"), except the right to possess and use the Equipment so long as Customer is not in default under the Lease. Customer acknowledges that the Equipment is personal property and shall not, at any time, constitute real property, an improvement thereon or a fixture.

2. Rental and Other Payments

(a) The Minimum Lease Term ("Term") begins on the date that ModSpace substantially completes its scope of work for installation ("Substantial Completion"). Monthly rent accrues through and including the later of the month in which the term (as may have been renewed on a month-to-month basis or otherwise) expires or the Equipment is made available for removal and returned to ModSpace in accordance with the terms of this Lease. Teardown and return charges are due and payable at the expiration or earlier termination of the term. All sums payable by Customer under the Lease, including rent, delivery, installation, Equipment modification and change orders, are due and payable in accordance without demand and are not subject to or contingent upon Customer's prior receipt of payment from its customer under any prime contract. This Lease Agreement is a net lease and Customer's obligation to pay rent under this Agreement shall be absolute and unconditional under all circumstances, notwithstanding: (i) any setoff, abatement, reduction, counterclaim, recoupment, defense or other right which Customer may have against ModSpace, its assignees, the manufacturer or seller of the Equipment, or any other person for any reason whatsoever; (ii) any defect in operation, or any damage to, or destruction of the Equipment; (iii) any interruption or cessation of use or possession of the real property or project site where the Equipment is or is to be installed; or (iv) any insolvency, bankruptcy, reorganization or similar proceedings instituted by or against Customer.

(b) Customer will pay or reimburse ModSpace, for all sales, goods and services, use, personal property expenses and other taxes, fees or assessments related directly or indirectly to the Equipment, its use or value, excluding taxes relating to income ("Taxes"). In the event a properly executed tax exemption certificate is presented to and approved by ModSpace, Customer will not be charged for sales, goods and services, and use taxes for which it is exempt, but will remain liable for personal property expenses and other taxes, fees or assessments related directly or indirectly to the Equipment, its use or value for which the exemption does not apply. If at any time the exemption claimed is deemed invalid, ModSpace will invoice Customer for any tax not previously invoiced. Customer's obligations under this subsection will survive the termination of this Lease.

(c) Invoices issued by ModSpace are solely for Customer's convenience. Interest shall be charged on any amount not paid within twenty (20) days of the due date set forth on the invoice, calculated from the said due date until paid in full, at the rate of 18% per annum, calculated and payable monthly on the last day of each month, provided that the charge of fifteen dollars (\$15.00) per month regardless of the amount of such invoice (or the maximum amount permitted by law if less than \$15.00), until such invoice is paid in full.

(d) If applicable, Customer shall pay the amount specified on the first page hereof as a security deposit (the "Security Deposit"), to be held by ModSpace without liability to Customer for interest, as security for Customer's performance of the terms and conditions of this Agreement; and in furtherance thereof, Customer hereby grants to ModSpace a security interest in the cash from time to time comprising the Security Deposit and all proceeds thereof. In the event of Customer's default, ModSpace may apply the Security Deposit in payment of its cost, expenses and attorney fees in enforcing the terms of this Agreement and to indemnify ModSpace against any damages sustained by ModSpace, provided however, nothing herein contained shall be construed to mean that the recovery of damages by ModSpace shall be limited to the amount of the Security Deposit. In the event all or any portion of the Security Deposit is applied as aforesaid, upon demand Customer shall deposit additional amounts with ModSpace so that the Security Deposit shall always be maintained at its original amount.

3. Delivery, Installation and Return Delivery

(a) Customer will provide clear access for delivery and installation of the Equipment by standard mobile transport vehicles at the site on which the Equipment is to be used (the "Site"). Unless otherwise set forth in this Lease, Customer is solely responsible, at its cost, for Site preparation, including, without limitation, structural or grade alterations, snow and water removal, identification and relocation of utility lines. Customer will provide firm and level ground with no more than a six-inch slope, from one end to the other, for safe and unobstructed installation for the Equipment. Customer is solely responsible for site selection and subsurface conditions, including environmental conditions. MODSPACE ASSUMES NO LIABILITY NOR OFFERS ANY WARRANTY FOR THE FITNESS OR ADEQUACY OF THE SITE OR UTILITIES AVAILABLE AT THE SITE. Customer will schedule its operations at the Site so that the installation of the Equipment by ModSpace can be carried out in one continuous operation and in proper sequence. ModSpace operations will be subject to ModSpace safety guidelines and operating instructions. Customer will verify and demonstrate to ModSpace the presence or absence of any underground utilities in the designated building location via "mark-out" or other accepted means prior to ModSpace installation of the Equipment. Should this physical verification and identification not be completed prior to delivery of the Equipment, ModSpace may choose to perform this verification at Customer's cost or reschedule its operation, as appropriate, at Customer's cost.

(b) Unless otherwise set forth in this Lease, Customer is solely responsible, at its cost, for obtaining all licenses, building and other permits, approvals and certificates as may be required for the installation of the Equipment and its lawful operation or occupancy. All certificates applicable to the Equipment will reflect ModSpace ownership thereof. Customer represents and warrants to ModSpace that, prior to delivery of the Equipment, Customer shall have obtained all necessary approvals and permits required for the installation of the Equipment at the Site.

(c) Substantial Completion and Equipment removal are subject to delay due to weather, fire, riot, civil disobedience, strike or other labor actions, acts of God, or any circumstances beyond ModSpace's control (including but not limited to breaches by ModSpace subcontractors or manufacturers) which delay the manufacture or modification of products or the making of deliveries in the normal course of business.

(d) Prices for delivery, installation, teardown, return delivery and other "one-time" charges, the due dates of such charges and the Substantial Completion target date, the scheduled date for and completion of Equipment demobilization and return delivery assume accuracy of the information given to ModSpace with respect to Site conditions, are subject to adjustment to the extent that the timing of or physical nature of access to the Site is or becomes limited, the Site does not have adequate load bearing or topographic qualities or is otherwise not properly prepared, snow or water is not removed, utilities are not correctly located or properly disconnected, provision of utilities is not timely, applicable licenses or permits are not provided in a timely manner or Customer otherwise delays completion of ModSpace's scope of work. In the event that any act or omission by Customer (including the failure of Customer to complete any work or obtain any permits for which it is responsible) or Customer's failure to make the Site available and ready causes a delay in Substantial Completion or removal of the Equipment ("Customer Delay") or causes ModSpace to suspend, reschedule or duplicate its performance of work, Customer will be liable for applicable charges and additional costs incurred by ModSpace to the extent caused by such delay. ModSpace may start the term and commence billing prior to Substantial Completion in the event Customer Delay exceeds fourteen (14) days.

Page 4



Form: CDS20130102

TERMS AND CONDITIONS OF LEASE AGREEMENT

- (e) ModSpace may suspend work at the Site if ModSpace deems the Site to be unsafe. If, in ModSpace's opinion, anchor straps are required for the safe installation of the Equipment, ModSpace may install anchor straps at an additional cost to Customer.
- (f) ModSpace will not be obligated to modify the scope of work prior to execution of a mutually acceptable written change order.
- (g) Customer will not interfere or allow others to interfere with the progress of ModSpace's work. Customer will not occupy or allow others to work on or in any portion of the Equipment prior to Substantial Completion without ModSpace's permission and Customer will be responsible for and indemnify and hold ModSpace harmless from and against any damage to the Equipment or other property, or injury or death arising in connection to such occupancy or work. No charge for labor or material furnished by Customer shall be allowed as a credit under this Lease.
- (h) Upon Substantial Completion of ModSpace's installation of the Equipment, Customer shall be required to sign a certificate acknowledging that the Equipment is ready and appropriate for Customer's beneficial occupancy and use. Customer's occupancy of the unit, in the absence of a signed certificate, shall serve as confirmation of Customer's inspection and acceptance of the Equipment.
- (i) If the Equipment shall be located on a site not owned by Customer, Customer shall obtain and deliver to ModSpace, from any person having an interest in the site, waivers of any lien, encumbrance or interest which such person might have or hereafter obtain or claim with respect to the Equipment. Customer shall provide ModSpace with the following information: (i) the name and address of the owner and any mortgagee of record of the site, (ii) the legal description of the site.

4. Maintenance of Equipment

- (a) Customer will not move or in any way modify the Equipment without prior written consent from ModSpace. Notwithstanding any such consent, Customer is liable, upon termination of the Lease, for the cost of restoration of the Equipment to its original specification and building code compliance. ModSpace may place its name on the Equipment, and Customer will assure that such name is not removed or concealed in whole or in part.
- (b) This is an absolute net lease. Customer is solely responsible for routine maintenance including, but not limited to, janitorial services, changing HVAC filters, light bulbs and ballasts, minor repair of the Equipment and removal of snow from and about the Equipment. At its sole cost, Customer will keep the Equipment at all times, until removed from the Site, in good repair and operating condition, subject to ordinary wear and tear, free of any and all liens and encumbrances and will maintain Site grading to ensure proper water diversion from the Equipment. Customer is solely responsible for damage due to settling. ModSpace may inspect the Equipment at any time and, if ModSpace believes the Equipment to be misused, abused or neglected, ModSpace may, with written notice, summarily remove and repossess the Equipment at Customer's cost.
- (c) Customer will perform, execute and comply with all Laws that in any way affect the use, occupancy, operation, maintenance or storage of the Equipment. "Laws" means all statutes, laws, rules, regulations, orders, writs and decrees that now exist or hereafter arise.
- (d) Customer will not: use or store any hazardous, toxic, radioactive or bio-hazardous substances or petroleum products ("Hazardous Materials") on the Equipment, except such quantities as would be normal in the operation of a commercial office; locate the Equipment at a remediation, decontamination or nuclear site or adjacent to any site at which any biological, chemical or nuclear agent is believed to have been released, or use the Equipment as a medical laboratory or for Hazardous Materials testing or remediation. Ordinary wear and tear does not include contamination. Prior to the return of the Equipment to the ModSpace facility, ModSpace may, at Customer's sole cost, have the Equipment inspected for and decontaminated of Hazardous Materials. In addition to any other remedy available to ModSpace, in its sole discretion ModSpace may require Customer to purchase contaminated Equipment at fair market value absent decontamination or convey to Customer title for any Equipment used in breach of this section and Customer hereby appoints ModSpace as attorney-in-fact for such purpose.
- (e) Customer agrees that the Equipment leased hereunder will not be occupied by any person other than Customer or its agents, employees or invitees and will not be used for residential or dormitory purposes.

5. Warranties

- (a) ModSpace will have no liability for the repair of any defect or condition resulting from Customer's relocation of the Equipment, utility connections, alterations or use of the Equipment for a purpose for which it was not intended, vandalism, misuse or excessive wear and tear. ModSpace will not be liable for loss of use of the Equipment or other damages arising from use of the Equipment. The foregoing warranty does not modify Customer's maintenance obligations under this Lease. EXCEPT AS SET FORTH IN THIS SECTION 5, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, OF ANY KIND, INCLUDING AS TO DESCRIPTION, CONDITION, QUALITY, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR OR INTENDED PURPOSE OTHER THAN AS AN OFFICE FACILITY, OR ANY OTHER MATTER OR THING WHATSOEVER, AND ANY SUCH WARRANTIES ARE HEREBY EXPRESSLY EXCLUDED.
- (b) Damage or contamination of the Equipment due to water infiltration or exposure is not considered ordinary wear and tear. If any returned Equipment is found to be damaged or contaminated by water infiltration or exposure, ModSpace will charge the Customer for the remediation or require Customer to purchase the Equipment at the current market price charged for a similar undamaged Unit.
- (c) The Equipment made part of this Lease is manufactured for commercial use and occupancy only. MODSPACE MAKES NO REPRESENTATIONS, EXPRESS OR IMPLIED, AND SHALL HAVE NO LIABILITY OF ANY NATURE WHATSOEVER, AS TO THE SUITABILITY, STRUCTURAL OR OTHERWISE, FOR THE USE OF THE EQUIPMENT OTHER THAN COMMERCIAL OCCUPANCY AND THE ACTIVITIES ASSOCIATED WITH SUCH OCCUPANCY.

6. Limitation of Damages

Customer and ModSpace do expressly waive against each other all claims and demands for loss of profits and other consequential, incidental or punitive damages arising in connection with this Lease. ModSpace is not liable for any loss or damage to any property stored, located or transported in, upon, under or around any Equipment, and Customer does hereby waive any and all claims and demands for any such loss or damage.

7. Termination and Equipment Return

- (a) Subsequent to the delivery of the Equipment, Customer has no right to terminate this Lease prior to the expiration of the Minimum Lease Term or any renewal or extension thereof. Acceptance of Equipment return before expiry of the Minimum Lease Term or any renewal or extension does not constitute a release of Customer's rental obligations. In the event of such termination, Customer must provide ModSpace ninety (90) days prior written notice of the date on which the Equipment is to be returned. Customer unconditionally agrees to pay a Lease cancellation charge equal to the remaining payments for the unfulfilled Minimum Lease Period, any applicable charges for services or modifications performed by ModSpace, any applicable charges related to Value Added Products including, but not limited to, steps, ramps, furniture, generators, holding tanks, third party storage, plus return delivery and tear down charges. In the event Customer terminates this Lease prior to the delivery of the Equipment, Customer further unconditionally agrees to pay cancellation charges in accordance with the following: (1) for in-deck Equipment, a cancellation charge equal to three (3) months rent plus any applicable charges for

Page 5



Form: COS20130102

TERMS AND CONDITIONS OF LEASE AGREEMENT

modifications performed on the Equipment and other services completed by ModSpace, (ii) for new or custom built Equipment a cancellation charge equal to all payments for the unfulfilled Minimum Lease Period plus any charges for services completed by ModSpace. All such charges will be billed on a lump sum basis unless other payment options are agreed to in writing by ModSpace.

(b) If Customer continues to possess or occupy the Equipment after the expiration of the initial and any Lease renewal term, with or without consent of ModSpace, Customer will be deemed to have renewed this Lease on a month-to-month basis at the then-current monthly rent plus ten percent (10%), subject to the terms and conditions hereof and subject to termination by ModSpace upon fifteen (15) days written notice. ModSpace may adjust teardown and return charges if any renewal or month-to-month term exceeds three (3) months.

(c) Prior to Equipment return, Customer will, at its sole cost, disconnect all utilities, disconnect and remove all appendices, remove all personal property, prepare the Site for unobstructed access to and removal of the Equipment by standard mobile transport, and vacate the Equipment. ModSpace shall have no duty or care in respect of, and will not be liable for, any personal property left in or on the Equipment; such property shall be deemed abandoned and ModSpace shall be entitled to dispose of, or retain, such personal property as ModSpace in its sole discretion sees fit. Any accessories and additions to the Equipment shall, at ModSpace's option, be deemed property of ModSpace upon Equipment return.

(d) At its sole cost, Customer will provide clear access to the Equipment for teardown and removal by standard mobile transport vehicles upon the expiration or termination of the term or, if ModSpace elects to terminate a month-to-month renewal, upon fifteen (15) days prior notice, and Customer irrevocably grants ModSpace authority to enter the Site for such purpose. The Equipment shall be returned to ModSpace broom clean and in the same condition as delivered, ordinary wear and tear excepted. Customer will pay ModSpace for all missing or damaged tires, axles and hitches. The Equipment will be deemed returned to ModSpace upon removal from the Site. Termination of this Lease will become effective only when the Equipment has been returned to ModSpace in accordance with this Lease and Customer has paid to ModSpace all rent and other charges.

8. Indemnification

Except to the extent of the ModSpace's negligence or willful misconduct, Customer shall indemnify, defend and hold harmless ModSpace, its employees, directors, officers, agents, parent corporations, subsidiaries, and affiliates from any and all loss, claims, liabilities, damages, fines, forfeitures, seizures, penalties and expenses (including legal fees and investigative costs) (collectively "Losses") that may arise from or in connection with any of the following:

- (a) The loss of or damage to the Equipment due to any peril or casualty including, without limitation, flood and earthquake;
- (b) The death of or injury to any person or damage to the property of any person as a result of, in whole or in part, the use or condition of the Equipment;
- (c) Any act or omission of Customer in violation of this Lease;
- (d) The use or possession of the Equipment; and
- (e) Any damage to Customer's property or the property of any third parties incurred during or in connection with the Equipment.

ModSpace will indemnify, defend and hold Customer harmless against loss or liability to the extent caused by the negligence of ModSpace, its employees, subcontractors or agents while in the performance of their scope of work.

9. Customer's obligations contained in this Section 9 will survive expiration or termination of this Lease and removal from the Site by ModSpace. Insurance

(a) At its sole expense, Customer will procure and keep in full force and effect from the initial delivery date until the removal of all Equipment the following policies of insurance satisfactory to ModSpace as to the insurer and as to the form and amount of coverage, with premiums prepaid: (i) Commercial General Liability Insurance with a minimum combined single limit of \$1,000,000 per occurrence and \$2,000,000 annual aggregate, written on an Occurrence Form, including coverage for premises, operations, contractual liability, broad form property damage and independent contractors, naming ModSpace Financial Services Canada Ltd as an additional insured; (ii) Commercial Property Insurance protecting against all loss and damages, at full Insurance Value, as stated on the front of the Lease, sustained or suffered due to the loss of or damage to the Equipment as a result of any peril or casualty, including flood, naming ModSpace Financial Services Canada Ltd and Bank of America, NA as first loss payee. Customer may self insure the obligations contained herein with ModSpace Risk Department approval.

(b) Customer will deliver certificates evidencing all such insurance to ModSpace prior to delivery of the Equipment except to the extent not required pursuant to Section 10 below. Each certificate will state that such insurance will not terminate or be materially changed without thirty (30) days' prior written notice to ModSpace.

(c) Obtaining insurance as described herein, including Section 10 below, will not affect Customer's obligations and indemnities under this Lease, and the loss, damage to or destruction of any of the Equipment will neither terminate this Lease nor, except to the extent that ModSpace is actually compensated by insurance paid for by Customer, relieve Customer of any of Customer's liability under this Lease.

(d) For special event transactions, the insurance limits required in Section 9(a) are to be adjusted to reflect a minimum combined single limit of \$5,000,000 per occurrence and \$10,000,000 annual aggregate.

(e) Upon request, ModSpace will furnish its standard insurance certificate evidencing Workers' Compensation, General Liability and Auto Liability, each to be effective for ModSpace's performance of delivery, installation, removal and maintenance work on the Site. ModSpace's insurance will be primary with respect to its scope of work only. Waivers of subrogation and policy endorsements will not be provided.

10. Liability Waiver and Damage Waiver Options

(a) In certain circumstances, Customer may choose (i) to accept a Liability Waiver to cover general liability risks (the "Liability Waiver Option") or (ii) to accept a Damage Waiver Option to cover damage to the Equipment (the "Damage Waiver Option") or (iii) to elect both options. If the Liability Waiver Option or the Damage Waiver Option is available and Customer, in writing prior to delivery of the Equipment to the site, elects to accept the Liability Waiver Option or the Damage Waiver Option, then, Section 10(b) will apply if Customer elects to accept the Liability Waiver Option and Section 10(c) will apply if Customer accepts the Damage Waiver Option.

(b) If the Liability Waiver Option is properly elected, so long as Customer timely pays the additional fee specified for such Liability Waiver Option and is in compliance with the Lease, Customer's liabilities to ModSpace for the occurrence of death, bodily injury or property damages to third parties, as described in Section 9(a)(i), will be limited as follows: to such amounts in excess of a maximum combined amount of \$150,000 per occurrence, subject to a \$5,000 deductible claim. If Customer properly elects to accept the Liability Waiver Option, Customer will not be required, under this Lease, to carry additional commercial liability insurance as required by Section 9(a)(i). **THE LIABILITY WAIVER OPTION IS NOT INSURANCE COVERAGE.**

(c) If the Damage Waiver Option is properly elected and so long as Customer timely pays the additional fee specified for such Damage Waiver Option, Customer will not be required, under the terms of this Lease, to carry any additional commercial property insurance as required by Section 9(a)(ii) and Customer will not be liable to ModSpace in excess of \$1,000 per Unit of Equipment for loss or damage specified in Section 9(a)(ii), except Customer will not be relieved of liability if Customer violates any other provision of this Lease. **THE DAMAGE WAIVER OPTION IS NOT INSURANCE COVERAGE.**

Page 6



Form: CDS20130102

TERMS AND CONDITIONS OF LEASE AGREEMENT

(d) Customer's acceptance of the Liability Waiver Option or the Damage Waiver Option may be cancelled by either party and charges for either the Liability Waiver Option or the Damage Waiver Option may be changed upon thirty (30) days' prior written notice. If the Liability Waiver Option is, for any reason, cancelled, Customer will provide to ModSpace evidence of policies of insurance as set forth in Sections 9(a)(i) or 9(a)(ii), as appropriate, within ten (10) days prior to the effective date of such cancellation.

(e) The waivers provided by the Liability Waiver Option and the limitation of liability under the Damage Waiver Option does not extend to Equipment transportation, installation, removal or Equipment contents and, only extends to Equipment installed on ground level.

(f) Neither the Liability Waiver Option nor the Damage Waiver Option will be binding upon ModSpace unless any loss, damage, injury or claim is reported to ModSpace in writing within seventy-two (72) hours of the occurrence of any such event. Customer will also provide any information in regard to such event that ModSpace reasonably requests.

11. Default

The occurrence of any of the following constitutes an Event of Default:

- (a) Customer fails to pay when due any rent or fails to perform its obligations under Section 10 hereof.
(b) Customer fails to pay when due any other amount due or perform or observe any other term or condition hereunder and such failure remains uncured more than ten (10) days after delivery of written notice;
(c) Customer or any person or entity which controls more than fifty percent (50%) of Customer's equity (a "Control Person") or any guarantor of any of Customer's obligations hereunder (a "Guarantor") becomes insolvent, any act of bankruptcy takes place with respect thereto or any proceeding, petition, assignment or notice, voluntary or involuntary, is commenced, made, given or filed by Customer, a Control Person or a Guarantor or any other person in respect of Customer, a Control Person or a Guarantor or its property under any present or future statute or law relating to bankruptcy, insolvency, reorganization, or relief from, or compromise or arrangement with, creditors;
(d) Customer, any Control Person or any Guarantor defaults under any other agreement with ModSpace or any affiliate of ModSpace; and
(e) Any letter of credit, guaranty or other security given to secure the performance of Customer's obligations under this Lease expires, terminates or in the reasonable opinion of ModSpace becomes worthless.

Upon an Event of Default, ModSpace may withhold delivery or declare the entire rent for the remainder of the term (as may have been renewed or extended) and laydown and return costs immediately due and payable and accelerate and make immediately due and payable any other amounts owing under this Lease. ModSpace may also retake and retain any of the Equipment free of all rights of Customer without any further liability or obligation to redeliver to Customer, and Customer hereby grants ModSpace the right to enter upon any premises where the Equipment is located in order to remove the same. If an Event of Default occurs under Section 11(c), such accelerations will occur automatically without the need for declaration. Customer will pay to ModSpace on demand all costs incurred by ModSpace in enforcing its rights under this Lease, including without limitation reasonable attorneys' fees. The remedies provided in favor of ModSpace will be cumulative and in addition to all other remedies provided in this Lease or existing at law or in equity. No action taken by ModSpace hereunder will release Customer from any of its obligations under this Lease.

If ModSpace retakes possession of the Equipment or any part of the Equipment and there is in, upon or attached to such repossessed Equipment any other property owned by Customer or in the custody of Customer, ModSpace may dispose or take possession thereof and hold the same for Customer, at Customer's sole cost.

12. ModSpace's Right To Cure

If Customer defaults in any of its obligations under this Lease, whether or not an Event of Default then exists, ModSpace may pay all amounts or perform or cause to be performed all obligations required to be paid or performed by Customer under this Lease and recover from Customer as additional rent all amounts so paid and the reasonable value of all services so performed.

13. Notices

Notices and other communications required or allowed by this Agreement or any Lease shall be in writing and sent by certified or registered mail, nationally recognized express carrier, by hand or by facsimile transmission (with confirmation of transmission) to as follows:

CUSTOMER:
Company Name: ENTROPEX
Address: 1271 COLBY AVE
City/Provincial/Postal Code: BRAMPTON, ON, N7S 5N5
Attention: ROBERT HICKS
Fax Number: 519 332-8220

MODSPACE:
ModSpace Financial Services Canada Ltd
2300 North Park Drive
Brampton, ON L6S 6C6
Attention: Contracts Department
Fax Number: 905-794-3907

Alternatively, it shall be sent to such other or additional addresses as a party may specify by proper written notice. Each notice so given shall be deemed delivered, (i) when actually received by the party to whom notice is to be given, (ii) on the first day following the day transmitted (with confirmation of receipt) if delivered by nationally recognized overnight courier service or by facsimile, or (iii) on the third business day after mailing, if mailed by first class registered or certified mail, return receipt requested, postage prepaid, addressed to the appropriate party, at the address and/or facsimile numbers of such party set forth above (or such other address as such party may designate by written notice to the other party in accordance with this section).

14. Miscellaneous

- (a) Customer may not assign this Lease or sublet, rent or otherwise hire out or transfer possession of any of the Equipment to any person or entity without the prior written consent of ModSpace. ModSpace may assign this Lease and the rentals reserved under this Lease. If ModSpace makes such an assignment, the assignee will acquire all rights and remedies possessed by or available to ModSpace under this Lease. ModSpace may subcontract any or all of its obligations under this Lease in the ordinary course of business.
(b) In the event the face page of the Lease omits specific Unit identification, the Equipment subject to this Lease will be the Equipment identified on the delivery receipt or, in the absence thereof, in fact delivered to the Site or identified on the invoice.
(c) This Lease contains the entire agreement between the parties pertaining to the subject matter of this Lease and, except as set forth herein, supersedes all prior negotiations, proposals and other documents. No other agreements, representations or understandings not specifically contained in this Lease will be binding upon any of the parties hereto irrespective of any signature by ModSpace. In the event that any of the terms and provisions hereof are in violation of or prohibited by any Law, such terms and provisions shall be deemed amended to conform thereto without invalidating any other provision of



Form: CDS20130102

TERMS AND CONDITIONS OF LEASE AGREEMENT

this Lease.

(d) The failure of ModSpace to insist at any time upon the strict performance of any of the terms, covenants or conditions of this Lease or to exercise any right or remedy herein, or the waiver by ModSpace of any breach thereof shall not be construed as thereafter waiving any such terms, covenants, conditions, rights or remedies

(e) ModSpace shall not be in default under this Lease unless it has failed to cure a breach within thirty (30) days following receipt of written notice from Customer or, if such cure cannot reasonably be cured within such time, within such time as may be reasonable.

(f) This Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Scanned or copied signatures shall be deemed as effective as originals.

(g) This Agreement and the rights and obligations of the parties hereunder and shall in all respects be governed by, and construed in accordance with, the internal laws of the Province of Ontario and the federal laws of Canada applicable therein (without regard to the conflict of laws principles of such state), including all matters of construction, validity and performance, regardless of the location of the Property. The parties agree that any action or proceeding arising out of or relating to this Agreement may be commenced in a court of competent jurisdiction in the Province of Ontario and the parties irrevocably submit to the non-exclusive jurisdiction of each of such court and agree not to assert, by way of motion, as a defense or otherwise, in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such court, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter thereof or the transaction contemplated hereby or thereby may not be enforced in or by such court. THE PARTIES IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY

(h) To the extent permitted by applicable law Customer hereby waives any and all rights and remedies conferred upon a lessee by the provisions of any applicable conditional sales, regulatory, credit, personal property, security or other statute and regulations made thereunder in Canada or any province thereof or in any other jurisdiction which in any manner affect, restrict or limit the rights and remedies of ModSpace. Customer also hereby agrees that The Limitation of Civil Rights Act (Saskatchewan), and any similar provisions in other statutes which affect the remedies available to ModSpace, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement and further waives, to the extent permitted by applicable law, all rights and presentation given by the Distress Act (Manitoba) and the sale of goods legislation of any application jurisdiction, as amended or replaced from time to time

(i) Customer hereby irrevocably authorizes ModSpace to make and effect such registrations, filings and notices as ModSpace deems necessary or advisable to protect ModSpace's interest in the Equipment

(j) Section headings are for convenience only and shall not affect the construction or interpretation of this Lease.

IN WITNESS WHEREOF, the parties have executed this Agreement on the first date above written.

CUSTOMER NAME: ENTROPEX
By: Robert Hicks
Name: ROBERT HICKS
Title: MAINTENANCE MANAGER

MODSPACE FINANCIAL SERVICES CANADA LTD.
By: Morgan
Name: MORGAN EVANS
Title: ISA



Contractual Insurance Requirements for Mobile and Modular Buildings (Can ONLY)

Per Section 9(a) of the ModSpace Financial Services Canada Ltd. lease agreement, you must provide insurance for all units leased from ModSpace Financial Services Canada Ltd. with the following coverage:

1. **General Liability Waiver Program** with a minimum combined single limit of \$1,000,000 per occurrence, written in an occurrence form, including coverage for premises, operations, contractual liability, broad form property damage, independent contractors and personal injury liability, naming Modular Space Corporation as an additional insured.
2. **Damage Waiver Program** protecting against all loss and damages, at full replacement cost, sustained or suffered due to the loss of or damage to the Equipment as a result of collision, fire, lightning, theft, flood, windstorm, explosion or any other casualty, naming ModSpace Financial Services Canada Ltd. and Bank of America, N.A. as a loss payees.

Please indicate how you will be meeting the ModSpace Financial Services Canada Ltd. lease requirements and send back with lease

OPTION 1 - select one or both of the ModSpace's convenient and cost-effective programs:	
<input type="checkbox"/> General Liability Waiver Program \$34.80/mth This program satisfies the lease requirement for Commercial General Liability Insurance.	<input type="checkbox"/> Damage Waiver Program 64.80/mth This program satisfies the lease requirements for Commercial Property Insurance.
Under this program we waive (limited), for a fee, your obligation under the Lease agreement to carry Commercial General Liability insurance. With this program, ModSpace will offer limited Liability of up to \$150,000 limit. Steps, stairs, and ramps are also covered when they are used in connection with a modular unit leased from ModSpace Financial Services Canada Ltd. You will remain liable to us for the first \$5000 per occurrence. This waiver is not insurance coverage.	With this program we waive, for a fee, (a) your obligation under the Lease agreement to carry Commercial Property Insurance and (b) your liability to us for repair or replacement of the building structure for loss or damage as specified in Section 9(a)(ii) of the Lease Agreement. The waiver is effective only if the Lessee does not violate any other provision of the Lease Agreement. You will remain liable to us for the first \$1000 of damage per unit per occurrence. This waiver does not cover unit contents not owned by ModSpace, damage due to collision, vandalism or "Act of God". This waiver is not insurance coverage.
OPTION 2 - I will be providing my own insurance for the leased units:	
<input checked="" type="checkbox"/> I (the lessee) have insurance in accordance with Section 9 of the lease agreement with respect to all requirements except as elected in Option 1 above. I will deliver a certificate of insurance no later than 14 days after equipment delivery as required by Section 9(b) of the lease agreement. "ModSpace Financial Services Canada Ltd., 2300 North Park Drive, Brampton, Ontario L6S 6C6" must be listed as "Additional Insured" & "Loss Payee" and to include full replacement cost with \$1,000,000 minimum Liability coverage. If I fail to deliver the insurance certificate within the 14 days I understand that all ModSpace Financial Services Canada Ltd. has the right to impose an insurance processing fee as well as an uninsured lessee fee as outline in section 9(c) of the lease agreement.	
Agency Name: <u>Hub International</u>	Agency Name: <u>Royal & Sun Alliance</u>
Agency Address: <u>595 Bay St. Ste 900</u> <u>Toronto, Ont. M5B 2E3</u>	Agency Phone#: <u>416-597 0008</u> Agency Fax#: <u>416-597 2313</u>



_____ X Signature of Lessee _____ Print Name _____ Date _____

TO BE FILLED OUT BY MODSPACE BRANCH PERSONNEL:

Customer Account Name: _____	Customer Number: _____
Lease Agreement Number: _____	Unit Number (s): _____
Manufacturer: _____	Unit(s) Serial Number: _____
Equipment Value: _____	Model Year: _____

IF OPTION 2 is rejected please fax form to 688-204-0015 or email modelfaxinsurance@modspace.ca

Corporate Headquarters - 2300 North Park Drive, Brampton ON L6S 6C6 www.modspace.ca

CERTIFICATE OF INSURANCE				ISSUE DATE (MM/DD/YY) 11/12/2014					
BROKER  HUB International HKMB Limited 595 Bay Street, Ste 900 Toronto, ON M5G 2E3 PHONE: 416-597-0088 FAX: 416-597-2313		This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.							
INSURED'S FULL NAME AND MAILING ADDRESS Entropex L.P. 1271 Lougar Avenue Scaris, ON N7S 5N5		Company A		Royal & Sun Alliance Ins. Co. of Canada					
		Company B							
		Company C							
		Company D							
		Company E							
COVERAGES									
This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated, not withstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain. The insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.									
TYPE OF INSURANCE	CO LTR	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS OF LIABILITY (Canadian dollars unless indicated otherwise)				
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCURRENCE <input checked="" type="checkbox"/> PRODUCTS AND/OR COMPLETED OPERATIONS <input checked="" type="checkbox"/> PERSONAL INJURY <input checked="" type="checkbox"/> EMPLOYER'S LIABILITY <input checked="" type="checkbox"/> TENANT'S LEGAL LIABILITY <input checked="" type="checkbox"/> NON-OWNED AUTOMOBILE <input checked="" type="checkbox"/> HIRED AUTOMOBILE	A	8140800	11/01/2014	11/01/2015	EACH OCCURRENCE \$ 2,000,000				
					GENERAL AGGREGATE \$ 10,000,000				
					PRODUCTS - COMP/OP AGGREGATE \$ 2,000,000				
					PERSONAL INJURY \$ 2,000,000				
					EMPLOYER'S LIABILITY \$ 2,000,000				
					TENANT'S LEGAL LIABILITY \$ 2,000,000				
					NON-OWNED AUTOMOBILE \$ 2,000,000				
					HIRED AUTOMOBILE \$ 50,000				
					AUTOMOBILE LIABILITY				
					<input type="checkbox"/> DESCRIBED AUTOMOBILES <input type="checkbox"/> ALL OWNED AUTOMOBILES <input type="checkbox"/> LEASED AUTOMOBILES ** <input type="checkbox"/> GARAGE LIABILITY <small>**ALL AUTOMOBILES LEASED IN EXCESS OF 30 DAYS WHERE THE INSURED IS REQUIRED TO PROVIDE INSURANCE</small>				
EXCESS LIABILITY									
<input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM					EACH OCCURRENCE \$ AGGREGATE \$				
OTHER (SPECIFY)									
Property and Boiler All Risk	A	8140800	11/01/2014	11/01/2015	Property of Every Description \$ 300,000 \$ \$ \$				
DESCRIPTION OF OPERATIONS/LOCATIONS/AUTOMOBILES/SPECIAL ITEMS/ ADDITIONAL INSURED									
This Certificate is issued as confirmation of existing coverages only, and confers no rights upon the Certificate Holder.									
CERTIFICATE HOLDER			CANCELLATION						
Vacuum Trucks of Canada ULC P.O. Box 15493 Toronto, ON M5W 1C1			SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF THIS ISSUING COMPANY WILL ENDEAVOUR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.						
			AUTHORIZED REPRESENTATIVE Per: 						
			Page 1 of 1						

VNWQ3WS4



FURNITURE LEASE

Furniture Lease Agreement No.: 099726F
 Building Lease Agreement No.: 099726
 Account No.: 814342
 Customer No.: 748371
 Page: 1

Sarnia
 456 Mcgregor Road
 P.O. Box: 2391
 Sarnia
 ON N7T 7S6
 Telephone: 519-336-6284
 Fax: 519-336-8248

Modular Space Corporation, ModSpace Financial Services Canada Ltd, (hereinafter referred to as "Lessor") does hereby lease the property described below ("Leased Property") for the quantity and the unit rental per mo. specified below:

Entropex
 1271 Lougar Ave.
 SARNIA
 ON N7S 5N5
 Customer Contact: Joe Sharpe
 Telephone: 519-332-0430 X 103
 P.O. #: To Be Issued

The Leased Property will be located at:

1271 Lougar Ave.
 SARNIA
 ON N7S 1A0

Lessee does hereby lease said Leased Property from Lessor on this 15th day of November, 2010 for a minimum period of 12 "Rental month(s) (the "Minimum Lease Period")."

Lessee may continue to lease the Leased Property designated herein after the expiration date pursuant to Section 4 of the "Terms and Conditions" of this Lease Agreement. Written notice by Lessee is required 60 days prior to the return of the Leased Property. Lessee agrees to pay Lessor without demand and in advance on the first day, the Rental Charge [Section 6(b) and 6(c) of the "Terms and Conditions"] indicated for the below listed property as follows:

MONTHLY CHARGES	
RENTAL	\$180.00
Total	\$180.00

LEASED PROPERTY								
Description	Qty	Unit Rent per Month	Extended	Lease Start Date	Termination	Unit	Size	
Chair - Occasional	6	\$6.00		11/15/2010	11/22/2010	155650	12' x 40'	
Chair - Steno	4	\$20.00	\$80.00	11/15/2010		155650	12' x 40'	
Desk -30x60 Jr. Exec	4	\$25.00	\$100.00	11/15/2010		155650	12' x 40'	
Folding Table - 6'	2	\$20.00		11/15/2010	11/22/2010	155650	12' x 40'	
Total			\$180.00					

Insurance Valuation \$10,800.00

Applicable state and local sale and use taxes and other direct taxes (Section 2(a) "Terms and Conditions"), shall be due and payable to the Lessor by the Lessee when invoiced. All charges due hereunder shall be remitted to Lessor at address as indicated upon Lessor's invoice.

It is understood and agreed that Lessee acknowledges receipt and return (upon termination) of the Leased Property specified above by Lessee's or Lessee's Authorized Agent's signature on a delivery or return receipt (upon termination) and said delivery or return receipt shall be incorporated as a part of this Agreement by reference herein. No agent, employee or representative of Lessor has any authority for any representation or warranty concerning the Leased Property that is not specifically included herein. Lessee acknowledges that it is not, in leasing the Leased Property, relying upon any warranty, promise or representation not set forth in this Agreement and assents to all provision or provision(s) inconsistent with this Agreement that may be contained in Lessee's Purchase Order.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement subject to the terms and conditions herein set forth and listed on all pages of this Agreement.

Signed by duly authorized agents, subject to Section 15 of the "Terms and conditions", this _____ day of _____, 20_____.

By _____
 Modular Space Corporation AUTHORIZED AGENT

By _____
 SIGNATURE OF LESSEE OR AUTHORIZED AGENT

Name ANAND SOOKHOO

Name _____
 (please print)

Lessee or its authorized agent acknowledge receipt of the Leased Property listed above in accordance with Section 3(a) unless exceptions are noted:



Lease Agreement

Location Code _____

Account # _____

Billing Information (please print)

Customer name Entropex
 Address 1271 Lougar Ave
 City Sarnia
 Province Ontario Postal Code N7S 5N5
 Telephone Number 519-322-0430 x103
 Fax Number _____
 Contact Joe Sharpe

Equipment Location Information (if different from Billing Location)

Customer name "Same"
 Relationship _____
 Address _____
 City _____ Prov _____ Postal Code _____
 Telephone Number (____) _____
 Fax Number (____) _____
 Contact _____

The Customer agrees to pay a monthly Lease payment of \$ 755.00 per month directly to Waste Management of Canada Corporation.
 Lease payment is firm and will not be increased for the duration of the contract term.

Lease period is for 5 Years/60 Months.

Compactor Model # RJ 400 Ultra-With Stand Serial # TBA
 Container Model # N/A Serial # _____ Size _____
 Additional Equipment _____

Terms and Conditions

1. Lease. Waste Management of Canada Corporation (the "COMPANY") hereby leases to the customer identified above (the "Customer") and Customer hereby leases from the COMPANY the equipment described above together with any parts or accessories relating to such equipment or affixed thereon (all of which is referred to as the "Equipment") in accordance with the provisions of this Lease Agreement. Customer shall have no right, title or interest in any of the Equipment except as expressly provided for by this Lease Agreement. Customer shall only use the Equipment for the purposes of the collection and compaction of Customer's non-hazardous solid wastes and recyclables.
2. Term. This Lease Agreement shall continue in full force and effect for a term of five years from the Effective Contract Date set out below, and may not be cancelled or terminated by either party during such term except as provided herein.
3. Payment. Customer shall pay the COMPANY the monthly Lease payment set out above for the Lease of the Equipment and the provision of Regular maintenance services. The COMPANY shall invoice the Customer monthly on the first of the month for the Lease payment, and the Customer shall pay the monthly Lease payment within 60 days of receipt of an invoice from the COMPANY. Customer shall pay COMPANY interest on any overdue payments at the rate of 1-1/2% per month (18% per year). The Customer shall pay GST, PST, and any other taxes or charges (whether federal, provincial, local or otherwise) which may be applicable to the Lease of the Equipment or provision of the maintenance services. In the event Customer fails to make payments when due, the COMPANY may, in addition to any other remedies for default set out in this Lease Agreement suspend service to the Customer.
4. Care of Equipment. Customer acknowledges it has the care, possession and control of the Equipment and that Customer is responsible for the safekeeping of the Equipment. Customer shall provide a suitable pad for the Equipment as well as any improvements to Customer's premises, which may be required in order to install the Equipment. Customer shall supply the electrical voltage and the hook-up required to power the Equipment. Customer shall use the Equipment in a careful and prudent manner and in compliance with all applicable laws. Customer shall perform routine services as per COMPANY specifications. Customer accepts the equipment in its present condition, and during the term of the Lease Agreement and until return and delivery of the equipment to the COMPANY, shall maintain it in its present condition, reasonable wear and tear accepted and shall repair at its own expense any damages to the equipment caused by operation and/or use by the customer or by others during the term of the agreement.
5. Customer's Obligation. Customer shall not permit any liens or encumbrances to be registered against, or any others to acquire an interest in the Equipment. Customer will permit the COMPANY's representatives from time to time to enter Customer's premises during reasonable business hours in order to inspect the Equipment. Customer shall indemnify COMPANY for damage to or loss of the Equipment resulting from improper use or handling of the Equipment, fire, the negligent act or omission of the Customer, or any other breach by the Customer of its obligations under this Lease Agreement.
6. Waste Material. Customer will ensure that the waste material to be disposed of by Customer pursuant to this Agreement is non-hazardous solid waste generated by Customer excluding Lease Administered by radioactive, volatile, highly flammable, explosive, toxic or hazardous material. Title to and liability for any waste excluded above shall remain with Customer and Customer expressly agrees to defend, indemnify, protect and hold harmless COMPANY from and against any and all damages, penalties, fines and liabilities resulting from or arising out of such waste excluded above.
7. Removal, etc. Customer will ensure that the Equipment shall not be moved from the agreed place of installation at the Customer's address identified above without the prior written consent of the COMPANY. The COMPANY shall not be liable for its failure to perform its obligations under this Lease

- Agreement due to events beyond its reasonable control, including but not limited to strikes, labour unrest, lockouts, blockage of roads or access to Customer's premises, unusually severe weather, acts of God, fires, floods, vandalism, interruption of electrical service or compliance with regulatory orders. After providing written notice to the COMPANY of any relocation of the unit(s), the customer agrees to pay a relocation fee to be determined at the time of relocation if the customer chooses to relocate the unit(s) to another location on the site. After payment of such relocation fee there shall be no other payment required to be made by the customer in connection with such relocation and/or services (other than regular lease fees)
8. Failure to Perform. Should Customer attempt to terminate this Lease Agreement prior to the end of the term then in effect, or should Customer be in default of any of its obligations under this Lease Agreement and fail to cure such default after notice given by the COMPANY, then the COMPANY may at its option recover from the Customer and the Customer shall pay the COMPANY, as liquidated damages, an amount of money equal to three times the Customer's last monthly billing. It is agreed by the parties that the foregoing liquidated damages are a fair assessment of the damages which would be incurred by the COMPANY in the event of a default or wrongful termination by the Customer, given that the COMPANY requires a term of sixty months in order to derive the income from the Equipment necessary to economically justify the purchase of the Equipment by the COMPANY and its application to the Customer's needs.
9. Default. If Customer is in default of any of its obligations under this Lease Agreement, or if Customer is insolvent or bankrupt, or if Customer abandons its location at the address set out above, or if Customer is in default under the provisions of any other commitment to the COMPANY relating to the Equipment, the COMPANY may in its discretion: (i) terminate this Lease Agreement; and / or (ii) take possession of the Equipment; and/or (iii) recover the liquidated damages set out in this Lease Agreement; and/or (iv) seek such other remedies as may be available to the COMPANY at law. In addition, Customer shall pay the costs reasonably and properly incurred by COMPANY as a result of a default by Customer, including attorney's fees and court costs.
10. Assignment. The COMPANY may assign or subcontract this Lease Agreement without the Customer's consent to any person, firm, or corporation affiliated with the COMPANY, with which the COMPANY may merge or consolidate, or to which it may sell all or a substantial portion of its assets.
11. Effect. Customer may not assign its rights and obligations under this Lease Agreement to any third party without the prior written consent of COMPANY, and any such assignment by Customer which COMPANY has not or does not consent to shall be of no force or effect. This Lease Agreement shall be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns. This Lease Agreement and the rights and obligations of the parties hereto shall be interpreted in accordance with and shall be governed by the laws in force and effect in the jurisdiction where the Equipment is located.
12. Purchase. Provided that Customer has complied with each of the provisions of this Lease Agreement in accordance with the terms hereof, Customer may, elect to purchase the Equipment on an as is basis at that time for the purchase price of \$2,303.00.

Lease Administered by

For Office Use Only

By (authorized signature)

Effective Contract Date

By / Title

MAJOR ACCT MGR.
MICHAEL COLLINS

Customer acknowledges having read the Terms and Conditions of this agreement.

Customer name

By (signature)

Print name and title

Date

ENTROPEX
Raymond Sharpe

RAYMOND SHARPE

NOV. 09, 2011

Vincent

CORPORATION

In our ninth decade

2810 E. 5th Avenue, Tampa, Florida 33605
Phone: 813-248-2650 Fax: 813-247-7557
E-mail: Vincent@VincentCorp.com

INTERNATIONAL RENTAL AGREEMENT

Date: Sep 28/2012

Entropex (Client) wishes to rent a Vincent Model KP-10 at the rate of US\$ 350.00 per week. All shipping expenses, including any importation/exportation fees, to and from the test site will be paid by the Client. Equipment rental charges and freight, if any, are billed monthly by Vincent.

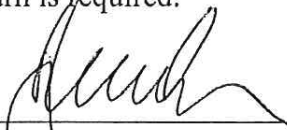
The rental period will last from when the equipment arrives in the country of Canada and until it leaves that country. This agreement can be ended at any time, before or after shipment, by simply notifying Vincent.

One half (50%) of the rent is applicable toward purchase of the machine.

Vincent includes engineering assistance and technical support, at no charge, with rental equipment.

The Client will supply labor for modifications and maintenance, while Vincent will supply parts and engineering, at no charge. If the equipment is returned to the Tampa Works, Vincent will perform any needed repairs at no charge to the Client.

A guarantee of safe return is required.

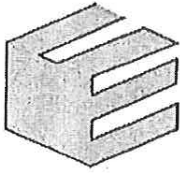
Signed: 

P.O. Number: ENT50373

Client: **ENTROPEX**
Attn: **MOHAMMAD RAHBERI**
Telephone: **519-332-0430 X.116**
Street: **1271 LOUGAR AVE.**
City, Prov/St: **SARNIA, ON**
Country: **CANADA, N7S-5N5**
February 21, 2011 **mrahbari@entropex.com**

INVOICE BILLING ADDRESS:
ENTROPEX
invoices@entropex.com
1271 LOUGAR AVE.
SARNIA, ON
CANADA, N7S-5N5

A2



**ENTROPEX
PURCHASE ORDER**

1271 Lougar Ave.
Sarnia, Ontario
N7S 5N5
Phone (519) 332-0430
Fax (519) 332-8220

DATE	<u>28-Sep-12</u>
NUMBER	<u>ENT50373</u>
STATUS	<u>OPEN</u>
VENDOR	<u>VINCE</u>

Purchased From:
Vincent Corporation
2810 E 5th Avenue
Tampa, FL
33605

Attention: Bob

Telephone 813-248-2650

Fax: 813-2477557

ORDER #	VENDOR REF #	WBS #	EAR #	BUYER	TERMS	CURRENCY
ENT50373				MR/BF	Net 30	USD
VENDOR CODE	DESCRIPTION			QTY	UNIT PRICE	EXT PRICE
	Weekly Rental of KP-10			1.00	350.0000	\$ 350.00
						\$ -
NET AMOUNT						\$ 350.00
HST						
TOTAL						\$ 350.00

Special Instructions:

INVOICE #	INV AMT	NET AMT AVAIL

PO COMPLETION DATE _____

Mohamed Rahbari
Purchaser Mohamed Rahbari
~~Brian Fitzgerald~~

HST Number 892284242RT001

Approved By: _____
Bruce Orr

In

Page 1 of 2 Pg. 260

A2

From: Mohammad rahbari <Mrahbari@entropex.com>
To: "bob@vincentcorp.com" <bob@vincentcorp.com>
Subject: RE: REVISED PROPOSAL

Dear Bob,

Attached are:

- 1) PO for the \$1200 for carbon steel mounting stand and liquid collection pan.
- 2) PO for the \$350/wk rental unit
- 3) The rental agreement signed

We would like to have this unit operational by November. We want to arrange for the installation of the unit during the week of Oct 22nd-26th. Please let us know that this timeline is achievable. I would like to set-up a call next week on either Thurs or Fri to discuss the installation of the press and develop an installation plan.

Bob, please coordinate with Matthew and let me know what time works best for you. Matthew please send me a proposal for having your company conduct the labour for the installation of the unit prior to the call next week.

Cheers

Mohammad

Mohammad Rahbari, M.E.Sc., P.Eng.
Director, Technology Development
Entropex
1271 Lougar Ave.,
Sarnia, ON, N7S 5N5
Tel: 519-332-0430
Mobile: 519-495-9808
Fax: 519-332-8220
www.entropex.com
mrhbari@entropex.com

>From: bob@vincentcorp.com [<mailto:bob@vincentcorp.com>]
>Sent: September-26-12 5:44 PM
>To: Mohammad rahbari
...snip...
>Tampa, Florida 33605

Pg. 261
A3

Vincent

CORPORATION

2810 E 5TH AVENUE
TAMPA FL 33605 USA
(T) 813-248-2650
(F) 813-247-7557

JOB ORDER: 12389
ORDER DATE: SEPT. 28, 2012
CUST. P.O.: ENT50372 &
ENT50373

SOLD TO: ENTROPEX
1271 LOUGAR AVENUE
SARNIA, ONTARIO N7S5N5

SHIP TO: ENTROPEX
1271 LOUGAR AVENUE
SARNIA, ONTARIO N7S5N5
ATTN: MOHAMMAD RAHBARI

ATTN: MOHAMMAD RAHBARI
E-MAIL: MRAHBARI@ENTROPEX.COM
PH: 519-332-0430 EXT: 116 FAX: 519-332-8220

TERMS: NET 30
CUSTOMER:

ENGINEER	SHIP VIA	DATE REQUIRED	F.O.B.
RJ	BEST	OCTOBER 12, 2012	TAMPA
ITEM	QUANTITY	DESCRIPTION	QUANTITY SHIPPED
		<u>RENTAL + SPARE PARTS</u> <u>APPLICATION: PLASTIC RECYCLER</u>	
	1	VINCENT SCREW PRESS MODEL: KP-10 SERIAL: 12268-E	
	1	STEEL SUPPORT FRAME 8 PC. BOLTED CONSTRUCTION 16 B, N, LW	
	1	SS TANK 30" DIA. 30" TALL	
	1	MANUAL PLACED IN DRAIN PAN	
	1	FRL	
SHIP DATE		OCTOBER 15, 2012	COMPANY NAME
SHIPPER AUTHORIZATION		JEANETTE BEITAL	RECEIVED BY

Vincent
CORPORATION

2810 E 5TH AVENUE
TAMPA FL 33605 USA
(T) 813-248-2650
(F) 813-247-7557

JOB ORDER: 12389
ORDER DATE: SEPT. 28, 2012
CUST. P.O.: ENT50372 &
ENT50373

SOLD TO: ENTROPEX
1271 LOUGAR AVENUE
SARNIA, ONTARIO N7S5N5

SHIP TO: ENTROPEX
1271 LOUGAR AVENUE
SARNIA, ONTARIO N7S5N5
ATTN: MOHAMMAD RAHBARI

ATTN: MOHAMMAD RAHBARI
E-MAIL: MRAHBARI@ENTROPEX.COM
PH: 519-332-0430 EXT: 116 FAX: 519-332-8220

TERMS: NET 30
CUSTOMER:

ENGINEER	SHIP VIA	DATE REQUIRED	F.O.B.	
RJ	BEST	OCTOBER 12, 2012	TAMPA	
ITEM	QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
<u>RENTAL + SPARE PARTS</u>				
<u>APPLICATION : PLASTIC RECYCLER</u>				
A	1	VINCENT SCREW PRESS MODEL: KP-10 SERIAL: 12268-E	ITEM "A" VALUE ONLY FOR CUSTOMS PO: ENT50373	\$37,100.00
B	1	STEEL SUPPORT FRAME 8 PC. BOLTED CONSTRUCTION 16 B, N, LW	TOTAL VALUE DUE B & C	
C	1	SS TANK 30" DIA. 30" TALL	ITEMS B & C PO: ENT50372	\$1,200.00
D	1	MANUAL PLACED IN DRAIN PAN	INCL.	INCL.
E	1	FRL	INCL.	INCL.
<p>Declaration Statement: These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to United States law is prohibited.</p> <p>I hereby certify that the good covered by this shipment qualifies as an originating good for the purposes of preferential treatment under the NAFTA. MADE IN THE USA</p> <p>WIRE TRANSFER INSTRUCTIONS: BANK OF AMERICA SWIFT CODE: BOFAUS3N FOR CREDIT TO: VINCENT INTERNATIONAL, INC. D/B/A VINCENT CORP. ACCOUNT NO. 0089 8171 6952</p> <p><i>Jeanette Beital</i> JEANETTE BEITAL OFFICE MANAGER</p> <p>OCTOBER 15, 2012 TODAY'S DATE</p>				

SHIPPER PLEASE NOTE

FREIGHT CHARGES ARE PREPAID ON THIS BILL

STRAIGHT BILL OF LADING - ORIGINAL - NOT NEGOTIABLE
 ABF FREIGHT SYSTEM, INC.
 P.O. BOX 10048
 FORT SMITH, AR 72917



ABF ABF Freight System
 223 661 825

Driver signature only acknowledges receipt of freight. Shipment is subject to applicable terms and conditions of Uniform Straight Bill of Lading and ABF's tariffs.

12389

Page 263
 A3



Shipper's Bill of Lading No. ENT50372 & ENT50373
 Consignee's Reference/PO No.

TO: ENTROPEX
 CONSIGNEE MOHAMMAD RAHBARI
 STREET 1271 LOUGAR AVE
 DESTINATION SARNIA ON N7S5N5 CA
 CITY/ST/ZIP
 Check box if consignee contact required prior to delivery. Consignee phone (519) 332-0430 ext 116

DATE 2012-10-15
 ROUTE
 SPECIAL INSTRUCTIONS QUOTE ID BGL2232852

FROM: VINCENT CORPORATION
 SHIPPER
 STREET 2810 E 5TH AVE
 ORIGIN TAMPA FL 336055638 US
 CITY/ST/ZIP

FOR PAYMENT, SEND BILL TO:
 NAME
 STREET
 CITY/ST/ZIP

Collect on Delivery \$ _____ and remit to _____
 Street _____ City _____ State _____
 Carrier must collect cash, money order, bank cashier's check, or bank certified check unless shipper signs here to accept company check.
 Signed: _____
 C.O.D. Charge to be paid by Shipper Consignee

Hdg. Units No. Type	Packages No. Type	HM	Kind of Package, Description of Articles, Special Marks and Exceptions (Subject to Correction)	Weight Subj. to Correction (Lbs)	Class or Rate Ref. (For Info. Only)	Cube (Optional) ft ³
1 CRT	1 CRT		KP-16 SCREW PRESS, FRAME, SS TANK & MANUAL 1 CRT @ 124 x 42 x 47 Additional Services (Quoted): Customs Administrative Fee	2700	92.5	

Total Handling Pieces: 1 Individual Pieces: 1 Weight: 2700 Lbs Cube: 896 ft³

* Mark "X" to designate Hazardous Materials as defined in DOT Regulations.
 NOTE(1) Where the rate is dependent on value, shippers are required to state specifically in writing the agreed or declared value of the property as follows:

"The agreed or declared value of the property is specifically stated by the shipper to be not exceeding _____ per _____."

NOTE (2) Liability Limitation for loss and damage on this shipment may be applicable. See 49 U.S.C. 14706 (c)(1)(A) and (B).

NOTE (3) Commodities requiring special or additional care or attention in handling or stowing must be so marked and packaged as to ensure safe transportation with ordinary care. See Sec. 2(e) of NMFC Item 360.

Freight Charges are PREPAID unless marked collect
 CHECK HERE IF COLLECT

FOR FREIGHT COLLECT SHIPMENTS:
 If this shipment is to be delivered to the consignee, without recourse on the consignor, the consignor shall sign the following statement:
 The carrier may decline to make delivery of this shipment without payment of freight and all other lawful charges.
 (Signature of Consignor)

Notify if problem enroute or at delivery JEANETTE BEITAL (813) 248-2650
 Name Tel No. Fax No. (for informational purposes only)

RECEIVED, subject to individually determined rates or contracts that have been agreed upon in writing between the carrier and shipper, if applicable, otherwise to the rates, classifications and rules that have been established by the carrier and are available to the shipper, on request. Every service to be performed hereunder shall be subject to all terms and conditions of the uniform bill of lading set forth in the National Motor Freight Classification. The shipper hereby certifies that he is familiar with all the terms and conditions of the said bill of lading and the said terms and conditions are hereby agreed to by the shipper and accepted for himself and his assigns. See 780-1 of ABF 111 rules for general liability limitations and for additional coverage available at additional expense.

This is to certify that the above-named materials are properly classified, described, packaged, marked and labeled and are in proper condition for transportation, according to the applicable regulations of the Department of Transportation. Additionally, by signature on this bill of lading, Shipper authorizes consent to the Transportation Security Administration (TSA) to screen the shipment when transportation of the shipment requires movement via air carrier.

SHIPPER VINCENT CORPORATION
 PER(SIGNATURE REQUIRED) *Jeannette Beital*
 10/15/12

CARRIER ABF FREIGHT SYSTEM, INC.
 PER *Charles Beital*
 DATE 10-15-2012
 Driver signature acknowledges receipt of freight

A4

Jeanette Beital

From: Jeanette Beital [jeanette@vincentcorp.com]
Sent: Tuesday, October 16, 2012 8:30 AM
To: 'MRAHBARI@ENTROPEX.COM'
Subject: # 12389 - VINCENT CORPORATION - SHIPMENT NOTIFICATION
Importance: High
Attachments: ENTROPEX CI & PL.pdf

THE INFORMATION LISTED BELOW IS BEING SENT AS A
COURTESY TO ADVISE YOU OF YOUR SHIPMENT

ITEM(S):	1 CRATE
PURCHASE ORDER:	ENT50372 & ENT50373
DATE SHIPPED:	10/15/12
ESTIMATED ARRIVAL:	10/19/12
CARRIER USED:	ABF
CARRIER PHONE:	1-800-961-9743
TRACKING NUMBER:	223 661 825

****TO CHECK ON PROGRESS OF SHIPMENT PLEASE CONTACT CARRIER****

Attached please find copies of Commercial Invoice and Packing List for your use in clearing from customs.

Please note that you need to contact a customs broker on your side for this freight.

Thank you,

Jeanette Beital
Office Manager
Vincent Corporation
2810 East 5th Avenue
Tampa, FL 33605
Phone: 813.248.2650
Fax: 813.247.7557
www.vincentcorp.com

10/16/2012