

District: Ontario
Division No. 07- Hamilton
Court No. 32-2683371
Estate No 32-2683371

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

**MOTION RECORD
(returnable February 12, 2021)**

February 5, 2021

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

David Ward LSO #: 33541W
Tel: 416.595.8625
dward@millertomson.com

Erin Craddock LSO #: 62828J
Tel: 416.595.8631
ecraddock@millertomson.com

Lawyers for BDO Canada Limited, in its
capacity as Proposal Trustee of Welland
Forge Corp.

District: Ontario
Division No. 07- Hamilton
Court No. 32-2683371
Estate No 32-2683371

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

INDEX

| TAB | DESCRIPTION |
|------------|---|
| 1 | Notice of Motion, returnable February 12, 2021 |
| 2 | Second Report of the Proposal Trustee, dated February 5, 2021 |
| | Appendices |
| I | Certificate of Filing of a Notice of Intention to Make a Proposal |
| II | Welland Forge Corp.'s Proposal |
| III | Notice of Proposal to Creditors |
| IV | Welland Forge Corp.'s Statement of Affairs |
| V | Trustee's Report to Creditors |
| VI | Notice of Hearing the Application for Court Approval of Proposal |
| VII | Welland Forge Corp.'s Cash Flows |
| VIII | Trustee's Report on Cash Flows |
| IX | Minutes of the First Meeting of Creditors |
| 3 | Draft Order |

TAB 1

District: Ontario
Division No. 07- Hamilton
Court No. 32-2683371
Estate No 32-2683371

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

**NOTICE OF MOTION
(returnable February 12, 2021)**

BDO Canada Limited, in its capacity as proposal trustee ("**Proposal Trustee**") of Welland Forge Corp. ("**Welland Forge**" or the "**Company**"), will make a motion to a judge presiding over the Ontario Superior Court of Justice (Commercial List) on February 12, 2021 at 11:00 a.m. by videoconference due to the COVID-19 pandemic.

PROPOSED METHOD OF HEARING: The motion is to be heard by video conference.

THE MOTION IS FOR:

- (a) an order:
 - (i) if necessary, abridging the time for service and filing of this notice of motion and the motion record and dispensing with further service thereof;
 - (ii) approving and sanctioning the meeting of the Proposal Trustee and the Company's unsecured creditors whereby the Proposal ("**Proposal**") of Welland Forge to its unsecured creditors in accordance with s. 50 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**") was voted on and approved;
 - (iii) approving the Proposal;

- (iv) authorizing and directing the Proposal Trustee and Welland Forge to do all such things as may be necessary to perform and give effect to the Proposal;
- (v) approving the Second Report of the Proposal Trustee, dated February 5, 2021, and the activities of the Proposal Trustee as described therein; and
- (b) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE

Background

- (a) Welland Forge filed a notice of intention to make a proposal, dated October 27, 2020, (the “**NOI**”) under which the Proposal Trustee was appointed.
- (b) Welland Forge is an Ontario corporation located in Welland, Ontario. Prior to ceasing operations in late October 2020, the Company utilized custom metal forgings to create high strength metal parts for various industries, including automotive, truck and trailer, and oil and gas.
- (c) On November 26, 2020, Welland Forge filed the Proposal with the Proposal Trustee, and a copy of the same was e-filed with the Official Receiver on the same day.
- (d) On December 1, 2020, the Proposal Trustee gave notice by ordinary mail to Welland Forge, the Office of the Superintendent of Bankruptcy and to every known creditor affected by the Proposal of the calling of a meeting of creditors to consider the Proposal on December 17, 2020 (“**Creditors Meeting**”).
- (e) The Creditors Meeting was held on December 17, 2020. During the Creditors Meeting the Proposal was formally accepted by the required majority of creditors from both classes: (i) 100% of Class I – Former Employees in attendance at the

meeting voted in favour, representing 100% of the value of voting Class I creditors with proven claims; and (ii) 93% of Class II – Trade Creditors in attendance at the meeting voted in favour, representing 99% of the value of voting Class II creditors with proven claims.

- (f) The Proposal Trustee is of the opinion that the combined assets and liabilities of the Company and the fair value thereof as listed in the statement of affairs, is reasonable and accurately reflects the financial circumstances of the Company.
- (g) The terms of the Proposal are reasonable and have been calculated to benefit the general body of creditors, and the Proposal has been made in good faith.
- (h) No creditor or other party will be unfairly prejudiced by the order sought herein;

Other

- (i) The provisions of the BIA, and the statutory, inherent and equitable jurisdiction of this Court;
- (j) Rules 1.04, 2.01, 2.03, 3.02, 37 of the *Rules of Civil Procedure*, R.R.O, 1990, Reg. 194, as amended; and
- (k) Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion

- (l) The Second Report, together with the appendices thereto; and

- (m) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

February 5, 2021

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

David Ward LSO #: 33541W
Tel: 416.595.8625
dward@millerthomson.com

Erin Craddock LSO #: 62828J
Tel: 416.595.8631
ecraddock@millerthomson.com

Lawyers for BDO Canada Limited, in its capacity as Proposal Trustee of Welland Forge Corp.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE FEBRUARY 12, 2021)**

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

David Ward LSO #: 33541W
Tel: 416.595.8625
dward@millerthomson.com

Erin Craddock LSO #: 62828J
Tel: 416.595.8631
ecraddock@millerthomson.com

Lawyers for BDO Canada Limited, in its capacity as Proposal
Trustee of Welland Forge Corp.

TAB 2

District of Ontario
Division No. 07-Hamilton
Court File No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

SECOND REPORT OF THE PROPOSAL TRUSTEE
FEBRUARY 5, 2021

TABLE OF CONTENTS

| | |
|--|----|
| Introduction..... | 4 |
| Purpose of First Report | 5 |
| Restrictions..... | 5 |
| Activities of the Proposal Trustee..... | 6 |
| Notice to Creditors..... | 6 |
| Communicating with Creditors..... | 7 |
| Cash Flow Projection | 7 |
| Monitoring Receipts and Disbursements..... | 8 |
| Proven Creditor Claims..... | 8 |
| Related entities | 8 |
| The Toronto-Dominion Bank..... | 9 |
| First Meeting of Creditors | 10 |
| Conclusion and Recommendation | 11 |

LIST OF APPENDICES

| | |
|-----------------|---|
| Appendix 'I' | Certificate of Filing of a Notice of Intention to Make a Proposal |
| Appendix 'II' | Welland Forge Corp.'s Proposal |
| Appendix 'III' | Notice of Proposal to Creditors |
| Appendix 'IV' | Welland Forge Corp.'s Statement of Affairs |
| Appendix 'V' | Trustee's Report to Creditors |
| Appendix 'VI' | Notice of Hearing the Application for Court Approval of Proposal |
| Appendix 'VII' | Welland Forge Corp.'s Cash Flows |
| Appendix 'VIII' | Trustee's Report on Cash Flows |
| Appendix 'IX' | Minutes of the First Meeting of Creditors |

Introduction

1. This second report (“Second Report”) is filed by BDO Canada Limited in its capacity as proposal trustee (in such capacity, the “Proposal Trustee”) in connection with a Notice of Intention to Make a Proposal (“NOI”) filed on October 27, 2020 (“Proposal Proceeding”) by Welland Forge Corp. (“WFC” or the “Company”) pursuant to section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (“BIA”). A copy of the Certificate of Filing a Notice of Intention to Make a Proposal is attached as Appendix “I” .
2. Welland Forge Corp. (“WFC” or the “Company”) is an Ontario corporation located in Welland, Ontario. Prior to ceasing operations in late October 2020, the Company provided custom metal forgings to create high strength metal parts for various industries, including automotive, truck and trailer, and oil and gas.
3. According to WFC, the Company’s business was no longer economically viable and has not been for at least the past four years. Due to growing operating losses exacerbated by the departure of a significant customer in October 2020, the Company decided to wind down its business.
4. On November 25, 2020, the Company sought and obtained an order, among other things, approving the sale of three discrete items of forging equipment to a related company and an Administration Charge in favour of the Professional Group. In support of this motion, the Proposal Trustee filed with this Court its first report, dated November 19, 2020 (“First Report”).
5. On November 26, 2020, the Company filed a Proposal to its creditors under the BIA (the “Proposal”) and e-filed a copy with the Official Receiver on the same day. A copy of the Proposal is attached as Appendix ‘II’.
6. The first meeting of creditors in these proposal proceedings was held on December 17, 2020, and the Proposal was formally accepted by the statutory required majority of creditors.

7. The Second Report is submitted by the Proposal Trustee for an order:
 - a. approving the Proposal; and
 - b. approving the Second Report and the activities of the Proposal Trustee as set out herein.

Purpose of First Report

8. The purpose of this Second Report is to provide the Court and creditors with information related to the relief sought by the Proposal Trustee. This Second Report provides:
 - a. information regarding the Company and its Proposal Proceeding;
 - b. information regarding the Company's Proposal;
 - c. the Company's creditor claims; and
 - d. a description of the activities of the Proposal Trustee;

Restrictions

9. In preparing this Second Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Company's representatives, the Company's books and records and discussions with its representatives. The Proposal Trustee has not performed an audit or other verification of such information. An examination of the Company's financial forecasts as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future oriented financial information relied upon in this Second Report is based on assumptions formulated by the Company's representatives regarding future events; actual results achieved may vary from this information and these variations may be material.
10. Capitalized terms used herein and not defined in this Second Report shall have the meaning ascribed to them in the First Report, as applicable.
11. All references to dollars are in Canadian currency unless otherwise specified.

Activities of the Proposal Trustee

Notice to Creditors

12. In accordance with its obligations under the BIA, the Proposal Trustee mailed notices to all known creditors of the Company regarding the filing of the NOI on October 27, 2020.
13. These notices were in two different forms: i) one for the trade and other creditors and, ii) one for the Former Employees. The notice to the Former Employees provided additional details to address any questions the Former Employees may have regarding the Proposal Proceeding.
14. On December 1, 2020, the Proposal Trustee gave notice to the Company, the Official Receiver, and to every known creditor affected by the Proposal of the calling of the first meeting of creditors (the "FMC") to be held on December 17, 2020 to consider the Proposal. The FMC was to be held via teleconference and pursuant to COVID-19 protocol. Attached as Appendix "III" is a copy of the Affidavit of Mailing which contains a list of known creditors affected by the Proposal.
15. Included with the notice was a condensed statement of the Company's assets and liabilities, a list of the creditors affected by the proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the proposal, a form of proof of claim and proxy in blank and a voting letter. A copy of the condensed statement and the list of creditors is attached as Appendix "IV" .
16. As part of this Proposal Proceeding, the Proposal Trustee made an inquiry into the liabilities of the Company, the Company's assets and the value thereof, the Company's conduct and the causes of the Company's insolvency. A copy of the Proposal Trustee's Report to Creditors, exclusive of enclosures, is attached as Appendix 'V'.
17. On January 18, 2021, the Proposal Trustee sent to the Company, the Official Receiver and every creditor who has proved their claim a Notice of Hearing the Application for Approval of the Proposal by the Court. A copy of the notice and a list of creditors

to who it was sent is attached as Appendix 'VI'.

18. In addition, the Proposal Trustee posted the Proposal and relevant documents regarding the Proposal Proceeding on its website for these proceedings: <https://www.bdo.ca/en-ca/extranets/wellandforge>.

Communicating with Creditors

19. The Proposal Trustee has and continues to field calls, answer questions and update the Former Employees and other creditors on the Proposal Proceedings.
20. The Proposal Trustee has also had discussions and engaged with Unifor Local 199 (the "Union") (previously incorrectly identified as Local 523 in the First Report) to maintain transparency and encourage open communication with respect to the Proposal Proceeding.
21. Numerous employees and the Union expressed concern with completing their proof of claim forms properly to enable them to vote at the meeting of creditors and participate in this Proposal Proceeding. The Proposal Trustee assisted the Union and non-unionized employees with completing their proof of claim forms ahead of the FMC.
22. Subsequent to the FMC, on December 18, 2020, the Proposal Trustee issued its Notice Requiring Person to Prove Claim, pursuant to s. 149 of the BIA, to those unsecured creditors who have not submitted or proven a claim to the Proposal Trustee.
23. The Proposal Trustee also continues to report to TD regarding key events in the administration and the status of the Proposal Trustee's weekly monitoring of the Company.

Cash Flow Projection

24. In support of its Proposal, the Company submitted an updated cash flow projection. A copy of the Company's updated cash flow projection and related assumptions for the period ending February 27, 2021, together with management's report on the cash

flow projection (as required under subsection 50.4(2)(c) of the BIA) is attached as Appendix 'VII'.

25. Based on the Proposal Trustee's review of the updated cash flow projection, there are no material assumptions which seem unreasonable in the present circumstances. The Proposal Trustee's report for the Company on the cash flow projection (as required under subsection 50.4(2)(b) of the BIA) is attached as Appendix 'VIII'.

Monitoring Receipts and Disbursements

26. The Proposal Trustee continues to monitor and review WFC's cash flow, financial reporting, and receipts and disbursements on a weekly basis.

Proven Creditor Claims

27. The Proposal Trustee continues to receive proofs of claim from the Company's unsecured creditors. As of the date of this report, the Proposal Trustee has received and admitted:

| | | |
|---------------------------|----|---------------------|
| i) Former Employee Claims | \$ | 1,943,208.48 |
| ii) Trade Creditor Claims | | 666,272.36 |
| | \$ | <u>2,609,480.84</u> |

Related entities

28. The Company's Statement of Affairs reports four non-arm's length creditors (the "Related Party Creditors"), as follows:

| | | |
|------------------------------|----|---------------------|
| i) G & J Capital Inc. | \$ | 6,632,165.00 |
| ii) IHT Limited Partnership | | 34,631.32 |
| iii) IMT Partnership | | 26,363.98 |
| iv) Welland Forge Land Corp. | | 1,810,467.00 |
| | \$ | <u>8,503,627.30</u> |

29. The Company has reported the Related Party Creditors as unsecured.
30. The Related Party Creditors have agreed to postpone and waive any dividend distribution, which would have otherwise been payable to them on their proven claims, to allow for a maximum realization to the proven arm's length creditors.
31. The Proposal Trustee is in receipt of the respective executed Postponement & Waiver forms.

The Toronto-Dominion Bank

32. WFC, as guarantor, is a party to a \$65 million Credit Agreement between G&J, as borrower, and TD, as administrative agent on its own behalf and on behalf of certain other lenders. In addition to WFC, there are several other related entity guarantors that are parties to the Credit Agreement.
33. TD has advised WFC that the Company's insolvency and this Proposal Proceeding are defaults under the Credit Agreement. Subject to certain conditions and covenants, TD agreed to forbear from exercising its rights under the Credit Agreement to facilitate WFC's wind down, liquidation and proposal to unsecured creditors.
34. TD, WFC, G&J and the related corporate guarantors entered into a Forbearance Agreement.
35. Pursuant to the Forbearance Agreement, the Company sought and obtained an order lifting the stay of proceedings in the Proposal Proceeding to permit TD to exercise any and all rights and remedies available to TD in respect of WFC and its property.
36. It is also a condition of the Forbearance Agreement that any proposal made by WFC stipulate that TD is an unaffected creditor.
37. The Proposal Trustee engaged its legal counsel, Miller Thomson LLP ("MT"), to undertake a security review of TD's security and to provide a legal opinion on the validity and enforceability of the security held by TD. MT has advised the Proposal Trustee that subject to the usual qualifications and assumptions, it is of the opinion

that the security granted by WFC in favour of TD creates a valid security interest and is enforceable in accordance with its terms.

38. Accordingly, WFC's Assets are subject to TD's security interest.

First Meeting of Creditors

39. The FMC was held on December 17, 2020, and was presided over by the Proposal Trustee as Chairperson.

40. Prior to the FMC, the Proposal Trustee received and admitted sixty-nine (69) proofs of claim: fifty-two (52) from the Former Employees (8 non-unionized and 44 unionized) and seventeen (17) from trade creditors. From the proofs of claim submitted, a total of sixty-six (66) included a voting letter. Five (5) creditors appointed the Proposal Trustee as their proxy.

41. As the Chairperson opened the FMC it became apparent there was a technical issue with the teleconference call-in details provided in the Proposal Trustee's Notice of Proposal to Creditors. While the Proposal Trustee and Company representative were in attendance, the Proposal Trustee immediately received emails from the Proposal Trustee's counsel and the Union's representative, proxy for approximately forty-four former employees of the Company, advising that they were unable to dial in. At the time of the meeting no other creditor contacted the Proposal Trustee expressing their inability to attend the meeting. The Proposal Trustee called the Union's representative and connected the representative into the meeting.

42. The Chairperson delayed the meeting for an additional fifteen minutes to ensure no other creditors communicated their inability to join the meeting.

43. Throughout the administration, the Proposal Trustee's main communication with the creditors has been via telephone calls and email communications. Accordingly, the Chairperson was of the view that any creditor that experienced difficulty joining the FMC would attempt to contact the Proposal Trustee to enquire. Additionally, the Proposal Trustee did not receive any further proofs of claim during the fifteen minute delay.

44. Having received no other enquiries or proofs of claim, the Chairperson proceeded with the FMC.
45. The Proposal Trustee reported to the meeting on its investigation of the Company's affairs. A vote was taken and the Proposal was formally accepted by the required majority of creditors.
46. Total claims of the Class I - Former Employees admitted and voted were \$1,746,996.48, consisting of fifty-one (51) claims. The Former Employees voted unanimously in favour of the Proposal as filed.
47. Total claims of the Class II - Trade Creditors admitted and voted were \$356,835.49, consisting of fifteen (15) claims. Only one voting trade creditor, having a claim of \$4,810.71, voted against the Proposal as filed. Accordingly, the required majority of Trade Creditors also approved the Proposal as filed. A true copy of the Minutes of the First Meeting of Creditors is attached as Appendix 'IX'.

Conclusion and Recommendation

48. The Proposal Trustee is of the opinion that:

- (a) The assets of the Company and the fair realizable value thereof are as follows:

| | As Declared | Realizable |
|-----------------------|--------------|---------------|
| Accounts receivable | \$ 1,990,000 | \$ Encumbered |
| Equipment and tooling | 930,000 | Encumbered |
| Inventory | 1,480,000 | Encumbered |
| Prepaid | 109,000 | Nil |
| | \$ 4,509,000 | \$ Nil |

- (b) The liabilities of the Company are as follows:

| | As Declared | As Filed |
|------------|---------------|--------------|
| Secured | \$ 4,400,250 | \$ Nil |
| Preferred | Nil | Nil |
| Unsecured | 11,280,134 | 2,609,481 |
| Contingent | 30,600,000 | Nil |
| | \$ 46,280,384 | \$ 2,609,481 |

49. The Proposal Trustee is further of the opinion that:

(a) The causes of the insolvency of the Company are as follows:

- (i) The Company has experienced increasing financial difficulties over the past several years. WFC has incurred approximately \$5 million in aggregate operational losses over the last five years.
- (ii) Further, in early 2020, the Company lost its largest customer to an overseas competitor. The customer historically represented approximately 65% of the Company's sales.
- (iii) As of the date of the NOI filing, WFC does not have any contracts or ongoing operations, except for the limited ongoing delivery of finished goods to wind down its remaining inventory.

(b) The conduct of the Company is not subject to censure.

(c) There are facts mentioned in section 173 of the Bankruptcy and Insolvency Act, which may be proved against the Company:

- (i) The assets of the Company are not of a value equal to fifty cents on the dollar on the amount of the Company's unsecured liabilities although not necessarily due to circumstances for which the Company can justly be held responsible.

(d) The following facts should also be considered:

- (i) Management has co-operated with maximizing realization of the Company's assets for the benefit of creditors, and at a cost more economical than a bankruptcy trustee would have incurred;
- (ii) Ordinary creditors will experience a recovery that they may not otherwise obtain in a bankruptcy;
- (iii) Pursuant to the Forbearance Agreement, the Company has arranged for separate trust accounts with TD for the sole purpose of depositing the proceeds of its realization efforts. The bank accounts currently have

sufficient proceeds to fund obligations to the Company's creditors under the Proposal;

- (iv) The Trustee will be in a position to issue a dividend to proven creditors shortly after obtaining an order approving the Proposal; and
 - (v) The quantum and timing of the recovery to ordinary creditors is certain.
50. The Proposal Trustee is of the opinion that the Proposal is an advantageous one for the Company's creditors because the Proposal Trustee anticipates that the distribution to ordinary creditors would be 0% - 19% in a bankruptcy scenario. As reported above, WFC's Assets are subject to TD's security interest. Accordingly, the only realization in a bankruptcy scenario would be the claims of the Former Employees under the Wage Earner Protection Program. Consequently, all creditors are expected to realize a recovery in the Proposal that is greater than that anticipated in a bankruptcy scenario.
51. A copy of this report was e-filed with the Office of the Superintendent of Bankruptcy (Official Receiver) on the date hereof.
52. In all of the above circumstances, the Proposal Trustee respectfully recommends the Court grant an Order:
- a) approving the Proposal; and
 - b) approving the Second Report and the activities of the Proposal Trustee as set out herein.

All of which is respectfully submitted this 5th day of February, 2021.

BDO CANADA LIMITED
in its capacity as Proposal Trustee under the
Notice of Intention to Make a Proposal
filed by Welland Forge Corp. and not in its
personal capacity
Per:



Vince Siciliano, CPA, CGA, CIRP, LIT
Senior Vice President

APPENDIX I



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 07 - Hamilton
Court No. 32-2683371
Estate No. 32-2683371

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

Welland Forge Corp.
Insolvent Person

BDO CANADA LIMITED / BDO CANADA LIMITÉE
Licensed Insolvency Trustee

Date of the Notice of Intention: October 27, 2020

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

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

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

Date: October 27, 2020, 12:32

E-File/Dépôt Electronique

Official Receiver

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

Canada

APPENDIX II

District of Ontario
Division No. 07 - Hamilton
Estate No. 32-2683371
Court No. 32-2683371

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

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGRA,
IN THE PROVINCE OF ONTARIO.**

**PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)**

WELLAND FORGE CORP. (hereinafter called the "Company") hereby submits the following Proposal (hereinafter referred to as the "Proposal") under the *Bankruptcy and Insolvency Act* to all of its creditors.

DEFINITIONS

1. For the purposes of this Proposal, the following terms shall have the following meaning:
 - (i) "Act" means the *Bankruptcy and Insolvency Act*;
 - (ii) "Administrative Fees and Expenses" means the fees and expenses incurred by or on behalf of the Trustee, as more particularly described in paragraph 19 of this Proposal;
 - (iii) "Court" means the Ontario Superior Court of Justice in Bankruptcy and Insolvency;
 - (iv) "Company" means Welland Forge Corp.;
 - (v) "Court Approval Date" means the date on which the Court issues an Order approving this Proposal pursuant to the provisions of the Act, all appeal periods having expired and no appeal therefrom having been dismissed and such dismissal having become final;
 - (vi) "Date of Filing" means the 27th day of October, 2020, being the date on which the Notice of Intention to Make a Proposal was filed with the Official Receiver in accordance with the Act ;
 - (vii) "Director" means James Hacking, a resident of Cambridge, Ontario;



- (viii) **“Former Employee”** means an individual who was an employee of the Company and whose employment with the Company was terminated by the Company prior to the Date of Filing;
- (ix) **“Former Employee Claim”** means the claim, if any, of a Former Employee arising from that Former Employee’s termination by the Company, inclusive of wages, vacation pay and pay in lieu of reasonable notice, including, without limitation, any severance, vacation pay, bonuses, commissions, pension contributions, medical or other insurance coverage;
- (x) **“Inspectors”** means the person(s) appointed or elected as inspectors under and pursuant to the Act, in respect of the Proposal;
- (xi) **“Ordinary Creditors”** means those persons with unsecured claims as at the Date of Filing, including contingent or unliquidated claims arising out of any transaction entered into prior to the Date of Filing, which are proven in accordance with the Act and which are not secured or preferred under or pursuant to the Act;
- (xii) **“Pension Plan”** means the defined contribution registered pension plan for which the Company is both the sponsor and administrator of, bearing policy number 55668 and registration number 0577734.
- (xiii) **“Preferred Creditors”** means those creditors of the Company whose claims are entitled to be paid in priority to the claims of Ordinary Creditors as provided under section 136 of the Act;
- (xiv) **“Secured Creditors”** means those creditors of the Company who hold valid and enforceable mortgages, charges, liens, security interests and other encumbrances against any of the property or assets of the Company;
- (xv) **“Trustee”** means BDO Canada Limited or its duly appointed successor; and
- (xvi) **“WEPPA”** means the *Wage Earner Protection Program Act*.

GENERAL INTENT

2. The purpose of this Proposal is to effect an orderly wind down of the Company, working co-operatively with the Trustee, with the expectation that all creditors will derive a greater benefit than would result from a bankruptcy of the Company.
3. This Proposal winds down the affairs of the Company and amends the terms of any and all agreements between the Company and the creditors existing as at the Court Approval Date and provides the essential terms on which all claims will be fully and



finally resolved and settled. During the term of this Proposal, and provided that an event of default has not occurred and is continuing hereunder, all creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a claim including, without limitation, any proceeding or remedy to recover payment of any monies owing to creditors, to recover or enforce any judgment against the Company in respect of a claim or to commence any formal proceedings against the Company other than as provided for under this Proposal.

4. This Proposal will, as of the Court Approval Date, be binding on the Company and all creditors.

CANADA REVENUE AGENCY

5. All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date.

PRESCRIBED PENSION PLAN

6. Pursuant to section 60(1.5) of the *Bankruptcy and Insolvency Act* ("BIA"), amounts owing for unremitted employee contributions and unpaid employer contributions owing under the Pension Plan at the Date of Filing, if any, shall be paid in full in priority to the claims of the Former Employees and Ordinary Creditors.

SECURED CREDITORS

7. The claims of Secured Creditors, if any, will be paid in accordance with present arrangements existing between the Company and the holders of such secured claims or as may be mutually arranged between the Company and the holders of secured claims, or the holders of secured claims shall be permitted to realize upon their security. For certainty, this Proposal is not made to the Secured Creditors and, notwithstanding anything to the contrary in this Proposal, the claims, security interests, rights and other entitlements of the Secured Creditors shall be unaffected in all respects by this Proposal. However, this Proposal is being made on the basis that any claims of the Secured Creditors will not be paid from the proceeds of the Proposal.

PREFERRED CREDITORS

8. The claims of Preferred Creditors, if any, shall be without interest, in priority to the claims of Ordinary Creditors in accordance with section 136 of the Act.




FORMER EMPLOYEES

9. Former Employees with Former Employee Claims shall constitute their own class of creditors for the purpose of voting on this Proposal.
10. The Company has estimated the claims of each of the Former Employees with a Former Employee Claim, attached as Schedule "A" to this Proposal. In order to determine the amount of each Former Employee Claim, Former Employees are entitled to file a proof of claim in any amount they feel they are entitled to with supporting documentation in accordance with the instructions provided by the Proposal Trustee. For simplicity:
 - a. any Former Employee Claim of a Former Employee made in accordance with the amount set out in Schedule "A" for that Former Employee or in an amount that is less than the amount set out in Schedule "A", for that Former Employee, will be admitted by the Proposal Trustee in the amount of the claim made by the said Former Employee; and
 - b. any Former Employee Claim of a Former Employee made in an amount greater than the amount set out in Schedule "A", for that Former Employee, will be reviewed by the Proposal Trustee and the amount by which the Former Employee Claim of the said Former Employee exceeds the amount set out in Schedule "A" for that Former Employee may be allowed or disallowed, in part or in whole, by the Proposal Trustee.
11. Former Employees are entitled to receive a distribution equal to the sum of (i) the Former Employee's maximum entitlement under WEPPA, net of the legislative prescribed reduction of 6.82%; plus (ii) 20% of:
 - the net amount of the Former Employee's proven Former Employee Claim less amounts received under (i) above.

The Company shall cause these amounts to be paid to the Trustee within 10 days of the Court Approval Date.

ORDINARY CREDITORS

12. The claims of Ordinary Creditors shall be paid from the funds received pursuant to paragraph 13 of this Proposal, after the payment of the Administrative Fees and Expenses under paragraph 19 of this Proposal, the claims of Preferred Creditors under paragraph 8 of this Proposal, any amount owing to Canada Revenue Agency under paragraph 5 of this Proposal, any amount owing to the Prescribed Pension Plan under paragraph 6 of this Proposal and the claims of Former Employees under



paragraph 11 of this Proposal. These funds shall be divided pro rata among all the Ordinary Creditors in full and complete satisfaction of their claims.

PROCEEDS UNDER THE PROPOSAL

13. The Company shall pay, or cause to be paid, to the Trustee the following amounts:

- (i) An amount equal to Canada Revenue Agency's claim under paragraph 5 of this Proposal, if any. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (ii) An amount equal to the priority payable to the Pension Plan under paragraph 6 of this Proposal. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (iii) An amount equal to the dividends required under paragraph 8 and 11. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (iv) An amount equal to \$150,000 to be divided pro rata among all the Ordinary Creditors under paragraph 12, in full and complete satisfaction of their claims. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date; and
- (v) An amount equal to the Administrative Fees and Expenses.

CLAIMS AGAINST THE DIRECTOR OF THE COMPANY

14. The creditors hereby agree not to pursue any assessments against the Company's Director for claims against the Director of the Company that arose prior to the Date of Filing and that relate to the obligations of the Company where the Director is by law liable in their capacity as Director as for the payment of such obligation.

PREFERENCES AND TRANSFERS AT UNDERVALUE

15. Section 95 through and including section 101 of the Act do not apply to this Proposal.

DISTRIBUTION TO CREDITORS

16. The Trustee shall make the payment of all dividends in accordance with the Act.

17. All distributions under the Proposal shall be issued by the Trustee and notwithstanding any other provisions therefore, any distributions made by the Trustee in respect of any claims pursuant to the terms hereof shall be made net of the Superintendent's Levy required to be made, pursuant to Section 147 and 60(4) of the Act.

A handwritten signature in black ink, appearing to be a stylized 'A' or similar character, located in the bottom right corner of the page.

INSPECTORS

18. The creditors may appoint one or more, but not more than five, inspectors under this Proposal whose powers shall be restricted to advising the Trustee in matters that may be referred to them by the Trustee.

ADMINISTRATIVE FEES AND EXPENSES

19. All the fees, expenses and disbursements of the Trustee in and incidental to the proceedings arising out of the Proposal, including the Trustee’s legal fees and disbursements, shall be paid in priority to all claims and shall be a first charge on all payments made by the Company under this Proposal. The Trustee may take interim draws from funds paid under paragraph 13 for its administrative fees and expenses as necessary, based on actual time and charges at normal billing rates plus applicable taxes. All draws are subject to final taxation by the Court.


20. Amounts stated with respect to professional fees in this Proposal or any documents relating to it including the reports of the Trustee and the Statement of Estimated Realization, are estimates only, and will not restrict the Trustee or the Trustee’s legal counsel from invoicing, taxing, and being paid all of their reasonable fees and charges based upon actual time at normal billable rates. The Trustee’s expenses and disbursements include all filing, court and counselling fees, all applicable taxes, and all legal fees or extraordinary costs incidental to the Trustee’s administration of this Proposal. Such amounts may be reimbursed to the Trustee at any time.

BDO CANADA LIMITED

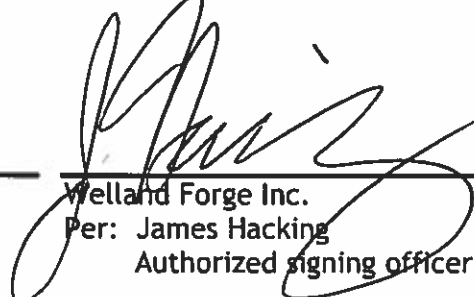
21. BDO Canada Limited shall be the Trustee under this Proposal. The Trustee is acting in its capacity as Trustee under this Proposal and not in its personal capacity and shall not be responsible or liable for any obligations of the Company.

22. Upon payment of the dividends provided for in this Proposal, the Trustee will be entitled to be discharged from its obligations under the terms of this Proposal.

Dated at Kitchener, Ontario this 26th day of November, 2020



Witness



Welland Forge Inc.
Per: James Hacking
Authorized signing officer

Schedule "A"

| Employee | ESA Payments | Collective Agreement Severance | Common Law Entitlement | Proposed Claim Amount |
|---------------------|---------------------|---------------------------------------|-------------------------------|------------------------------|
| ARNOLD MIKE | \$8,224.00 | \$24,024.36 | | \$32,248.36 |
| BACON DON | \$8,588.80 | \$31,129.03 | | \$39,717.83 |
| BALLANTYNE ROBERT | \$9,296.00 | \$17,430.00 | | \$26,726.00 |
| BARRICK TRENT | \$8,224.00 | \$3,207.36 | | \$11,431.36 |
| BARRICK WYATT | \$8,224.00 | \$3,207.36 | | \$11,431.36 |
| BEUPARLANT MICHAEL | \$8,108.80 | \$32,947.07 | | \$41,055.87 |
| BILODEAU ROLAND | \$9,296.00 | \$6,239.94 | | \$15,535.94 |
| BISSON GILLES JR | \$8,588.80 | \$35,557.63 | | \$44,146.43 |
| BISSON GUY | \$8,006.40 | \$26,271.00 | | \$34,277.40 |
| BOSSE MICHAEL | \$9,552.00 | \$29,855.97 | | \$39,407.97 |
| BURGER PAUL | \$9,296.00 | \$2,753.94 | | \$12,049.94 |
| CARDO ANTHONY | \$7,833.60 | \$25,586.50 | | \$33,420.10 |
| CRISPO LOU | \$8,108.80 | \$31,426.67 | | \$39,535.47 |
| DESCHAMBEAULT CHRIS | \$8,108.80 | \$35,607.77 | | \$43,716.57 |
| DUPRE KEVEN | \$8,224.00 | \$4,749.36 | | \$12,973.36 |
| EDWARDS JOHN | \$8,224.00 | \$32,505.36 | | \$40,729.36 |
| FARRELL JIM | \$9,696.00 | \$47,122.56 | | \$56,818.56 |
| GEMUS RICHARD | \$7,833.60 | \$26,320.90 | | \$34,154.50 |
| GODARD ZAKARY | \$8,108.80 | \$4,941.30 | | \$13,050.10 |
| GRAY DAVID | \$9,696.00 | \$17,416.44 | | \$27,112.44 |
| GURNICK JOHN | \$8,819.20 | \$38,991.89 | | \$47,811.09 |
| HORVATH MICHAEL | \$9,696.00 | \$4,399.56 | | \$14,095.56 |
| HOUSE JORDAN | \$8,224.00 | \$4,626.00 | | \$12,850.00 |
| JANZEN CHARLES | \$8,848.00 | \$16,307.97 | | \$25,155.97 |
| LASOVICH PAT | \$7,932.80 | \$24,661.09 | | \$32,593.89 |
| LETOURNEAU DAVE | \$7,833.60 | \$8,930.30 | | \$16,763.90 |
| LOGAN RYAN | \$9,696.00 | \$1,054.44 | | \$10,750.44 |
| LUTOMSKI NATHAN | \$8,224.00 | \$2,821.86 | | \$11,045.86 |
| MCALPINE CLAUDE | \$9,696.00 | \$2,127.06 | | \$11,823.06 |
| MCANINCH MIKE | \$8,224.00 | \$19,922.64 | | \$28,146.64 |
| MCDONALD BRAD | \$8,224.00 | \$24,163.14 | | \$32,387.14 |
| MOAR PETER | \$9,296.00 | \$21,351.75 | | \$30,647.75 |
| MOORE BRIAN | \$9,296.00 | \$18,162.06 | | \$27,458.06 |
| OLM DON | \$8,588.80 | \$26,297.83 | | \$34,886.63 |
| OTT PETER | \$7,932.80 | \$69,833.43 | | \$77,766.23 |
| PLAMONDON MARC | \$8,108.80 | \$31,426.67 | | \$39,535.47 |
| POULIN EDDY | \$10,217.60 | \$98,816.96 | | \$109,034.56 |
| PUTZMAN DENNIS | \$7,833.60 | \$13,953.60 | | \$21,787.20 |
| SHAW AUSTIN | \$8,224.00 | \$2,698.50 | | \$10,922.50 |
| STROFFOLINO ANGELO | \$10,240.00 | \$39,686.40 | | \$49,926.40 |
| SUMBLER CHRIS | \$9,696.00 | \$42,577.56 | | \$52,273.56 |
| THOMAS DEVON | \$8,224.00 | \$15,034.50 | | \$23,258.50 |
| WALSH LORNE | \$9,696.00 | \$3,181.50 | | \$12,877.50 |
| WEAVING DARYL | \$8,057.60 | \$13,718.06 | | \$21,775.66 |
| ALBANO SANDRO | \$9,568.00 | | \$2,392.00 | \$11,960.00 |
| BALLANTYNE BILL | \$43,350.00 | | \$58,650.00 | \$102,000.00 |
| BOLDUC BEVERLY | \$26,996.00 | | \$36,524.00 | \$63,520.00 |
| BROUSSEAU PAUL | \$37,974.16 | | \$44,029.84 | \$82,004.00 |
| CABRAL NELSON | \$22,346.88 | | \$22,149.12 | \$44,496.00 |
| COLE STEPHEN | \$29,496.09 | | \$38,999.91 | \$68,496.00 |
| DEAKIN JEFF | \$32,670.66 | | \$40,017.34 | \$72,688.00 |
| FARNSWORTH SUSAN | \$7,048.00 | | \$3,524.00 | \$10,572.00 |
| SINCLAIR JOHN | \$20,702.50 | | \$21,885.50 | \$42,588.00 |
| SONNENBERG HANNAH | \$6,104.00 | | \$3,052.00 | \$9,156.00 |
| SZOLOSI LASZLO | \$22,605.66 | | \$16,538.34 | \$39,144.00 |
| WASIELEWSKI JANE | \$44,268.00 | | \$59,892.00 | \$104,160.00 |
| | \$685,197.15 | \$983,045.29 | \$347,654.05 | \$2,015,896.49 |

APPENDIX III

District of ONTARIO
Division No. 09 Toronto
Court No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF PROPOSAL TO CREDITORS

I, Franca Iannilli, of the Trustee's office of BDO Canada, hereby make oath and say:

That on December 1, 2020, I did cause to be mailed by prepaid ordinary mail to the principal of the debtor company, and to the known creditors, whose names and addresses appear on the paper-writing marked "A" annexed hereto, a copy each of the statutory notice to creditors marked "B" annexed hereto, including a copy of the statement of the assets and liabilities, a copy of the proposal, a proof of claim form, a proxy and a voting letter all in blank and a copy of the Report of Trustee on Proposal.

And that on the same date, I did also cause to be e-filed with the Superintendent of Bankruptcy a copy of the Notice of Proposal to Creditors. E-filing confirmation marked "C" annexed hereto.



Franca Iannilli

SWORN before me in the City of Mississauga, in the Province of Ontario
this December 2, 2020



A Commissioner in and for the
Province of Ontario

Peter Naumis, a Commissioner, etc., Province of
Ontario, for BDO Canada LLP, and BDO Canada
Limited, and their subsidiaries, associates
and affiliates.
Expires April 13, 2021.

This is Exhibit "A" referred to in the affidavit of
Mailing of Notice of Proposal to Creditors

of Franca Iannilli

SWORN BEFORE ME this ^{2nd} day of ^{December} 2020

A handwritten signature in blue ink, appearing to read "P. Naumis", is written over a solid horizontal line.

A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc., Province of
Ontario, for BDO Canada LLP, and BDO Canada
Limited, and their subsidiaries, associates
and affiliates.
Expires April 13, 2021.

From the Department of Chemistry
University of California, Berkeley
Leland Stanford Junior University
Stanford, California
January 11, 1951

Creditor Mailing List

"A"

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|---|--------------|---|
| Director | James Hacking | | 999 Blair Road Cambridge ON N3H 4R8 |
| Contingent | The Toronto Dominion Bank | | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor Sean Harrison Toronto ON M5K 1A2 |
| Secured | The Toronto Dominion Bank | | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor Sean Harrison Toronto ON M5K 1A2 |
| | Xerox Canada Ltd | | 20 York Mills Road, Suite 500, Box 700 Grimsby ON M2P 2C2 |
| Unsecured | A-Z Deliveries | | 242 Dunkirk Road Unit 5 RR #6 St. Catharines ON L2R 7K6 |
| | Adica Logistics, LLC | | 20601 Trolley Industrial Drive Taylor MI 48180 USA |
| | Advanced Office Solutions | | 189 South Service Road Grimsby ON L3M 4H6 |
| | Alton Steel Inc. | | 5 Cut Street Alton IL 62002 US |
| | Angelo Stroffolino | | 951 East Main Street, #18 Welland ON L3B 3Z2 |
| | Anthony Cardo | | 7189 Parkside Road Niagara Falls ON L2H 3K1 |
| | ArcelorMittal Long Products Canada | | 3900 Route des Acieries Contrecoeur QC J0L 1C0 |
| | Atlas Trucking LLC | | 20601 Trolley Industrial Drive Taylor MI 48180 US |
| | Austin Shaw | | 53 Queen Street South Thorold ON L2V 3N2 |
| | Bardon Supplies Limited | Caroline Ceh | 405 College St Et, PO Box 1023 Belleville ON K8N 5B6 Fax: (613) 966-2026 caroline.ceh@bardonsupplies.com |
| | BDI Canada Inc | | 52 Bramsteele Road, Unit 1 Brampton ON L6W 3L8 |
| | Beatties Basics Office Products | | 399 Vansickle P.O. Box 30065, RPO Ridley Square St. Catharines ON L2S 4A1 |
| | Bell Canada - Residential C/O FCT Default Solutions | | PO Box 2514, Stn B London ON N6A 4G9 Fax: (647) 439-1419 dsinsolvency@collectlink.com |
| | BEVERLY BOLDUC | | 292 Draper's Street Welland ON L3C 0A1 |
| | BILL BALLANTYNE | | 20214 Youngs Road South Port Colborne ON L3K 5V4 |

Creditor Mailing List

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|---|---------------|---|
| Unsecured | Bob Robinson & Son Construction | | PO Box 129 Port Robinson ON L0S 1K0 |
| | Brad McDonald | | 24 Exeter Avenue Welland ON L3B 4Y1 |
| | Brian Moore | | 35 Summerlea Avenue Welland ON L3C 3E8 |
| | Canada Worldwide | | 9 Van Der Graaf Court Brampton ON L6T 5E5 |
| | Canadian Linen & Uniform Service | | Box 51073 RPO Tyndall Winnipeg MB R2X 3C6 |
| | Cardinal Transportation | | 2171 Dunwin Dr. Unit #5 Mississauga ON L5L 1X2 |
| | Castle Autochem Products | | PO Box 984 Ridgeway ON L0S 1N0 |
| | CDW Canada | | 185 The West Mall Etobicoke ON M9C 5L5 |
| | Charles Janzen | | 34 Page Drive Welland ON L3C 6E4 |
| | Chris Deschambeault | | 372 Corvette Street Welland ON L3B 4S7 |
| | Chris Sumbler | | 3579 Carver Street, Box 38 Stevensville ON L0S 1S0 |
| | Claude McAlpine | | 659 Penrose Road Welland ON L3C 7G8 |
| | CMM Services Inc | | PO Box 396 Owen Sound ON N4K 5P7 |
| | Corporation of The City of Welland | Janet Ferland | 60 East Main Street Welland ON L3B 3X4 Fax: (905) 732-1919 jantet.ferland@welland.ca |
| | Cotton Inc Environmental Services Dept. | | 2125 Fruitbelt Parkway Niagara Falls ON L2E 6S4 |
| | CPI Service | | c/o Garlock of Canada Ltd., 1954 10th Ave. NW Medicine Hat AB T1C 1T5 |
| | Daryl Weaving | | 2980 Bethune Avenue Ridgeway ON L0S 1N0 |
| | Dave Letourneau | | 230 Denistoun Street, #510 Welland ON L3C 2B4 |
| | David Gray | | 599 Wyldewood Road Sherkston ON L0S 1R0 |
| | Dennis Putzman | | 40 Wanda Road St. Catharines ON L2T 1S6 |
| | Devon Thomas | | 21 Oakdale Avenue St. Catharines ON L2P 2B8 |
| | Don Bacon | | 11 Pine Street Welland ON L3C 4G2 |
| | Don Olm | | 7 Elmvale Court Port Colborne ON L3K 5Z4 |

Creditor Mailing List

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|---|--|--|
| Unsecured | Eaton Steel Corporation | | P.O. Box 673263 Detroit MI 48267 US |
| | Ecolab Co. | | c/o Lockbox#917140, PO Box 4090, STN A Toronto ON M5W 0E9 |
| | Edco Canada | | 16755 Boul. Hymus Kirkland QC H9H 3L4 |
| | Eddy Poulin | | 1066 ON Road Welland ON L3B 5E4 |
| | Element Materials Technology | | 15 High Ridge Court Cambridge ON N1R 7L3 |
| | Embree Industries Ltd | | 151 Birge Street Hamilton ON L8L 7V4 |
| | ENA Electronics Inc. | | 1521 Upper Ottawa Street, Unit 8 Hamilton ON L8W 3J4 |
| | Enbridge Gas Distribution - Ontario | Back Office Collections Department | 930610050205 3401 Schmon Pkwy, PO Box 1051 Thorold ON L2V 5A8 Fax: (888) 882-5638 |
| | Frew Energy | | 3993 Keele Street Toronto ON M3J 2X6 |
| | Frontier Equipment | | c/o M. Takeda Tools, 95 Morley Avenue Hamilton ON L8H 3R8 |
| | G & J Capital Inc. | | 530 Manitou Drive Kitchener ON N2C 1L3 |
| | Gerrie Electric Wholesale Ltd | | 4104 South Service Rd. Burlington ON L7L 4X5 |
| | Gilles Bisson | | 238 Schofield Ave South Welland ON L3B 1N7 |
| | Green Flag Metals | | 25000 Centre Ridge Road Westlake OH 44145 USA |
| | Greenside Landscaping & Lawn Services Inc. | | 800 Richard Drive Port Colborne ON L3K 5V3 |
| | Guy Bisson | | 22 Hellems Ave, Upper Welland ON L3B 3A7 |
| | HANNAH SONNENBERG | | 435 McAlpine Avenue North Welland ON L3B 1T4 |
| | I Clean Things | | 41 Dundonald Street St. Catharines ON L2P 3T4 |
| | Iafrate Machine Works Ltd | | P.O. Box 53 Thorold ON L2V 3Y7 |
| | IHT Limited Partnership | | 530 Manitou Drive Kitchener ON N2C 1L3 |
| | IMT Partnership | | 530 Manitou Drive Kitchener ON N2C 1L3 |
| | Industrial Bandsaw Services | | 2412 Haines Road, Units 1 & 2 Mississauga ON L4Y 1Y6 |
| | JANE WASIELEWSKI | | 2827 Olden Avenue Niagara Falls ON L2J 4A2 |

Creditor Mailing List

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|------------------------------|-----------|--|
| Unsecured | JEFF DEAKIN | | 1094 Victoria Avenue Fenwick ON L0S 1C0 |
| | Jim Farrell | | 4016 Martin Road Vineland ON L0R 2E0 |
| | John Edwards | | 235 Niagara Falls Road Thorold ON L2V 1J1 |
| | John Gurnick | | 122 Green Pointe Drive Welland ON L3C 6Y6 |
| | JOHN SINCLAIR | | 4685 Inverness Court Niagara Falls ON L2H 3B1 |
| | Jordan House | | 3603 Elm Street, PO Box 939 Ridgeway ON L0S 1N0 |
| | Kaupp Electric Ltd | | 225 Merritt Street St. Catharines ON L2T 1J7 |
| | KEL Tooling Inc | | 7088 Brittany Crt. Niagara Falls ON L2H 3N6 |
| | Keven Dupre | | 15 Edith Street St. Catharines ON L2S 2P6 |
| | LASZLO SZOLOSI | | 38 Briarwood Drive St. Catharines ON L2S 4A6 |
| | Lawrence's Lawn Care | | 1353 Balfour Avenue Fenwick ON L0S 1C0 |
| | Lorne Walsh | | 64 Steele Street Port Colborne ON L2K 4X2 |
| | Lou Crispo | | 103 Riverview Blvd. St. Catharines ON L2T 3M3 |
| | Lynn Fader | | 203 - 26 Mill Street Welland ON L3C 4Y2 |
| | Marc Plamondon | | 80 Colborne Street Welland ON L3B 3P1 |
| | McMaster-Carr Supply Company | | P.O. Box 7690 Chicago IL 60680 US |
| | Medina Supply Inc | | 9 Petersburg Circle Port Colborne ON L3K 5V5 |
| | Metal Supermarkets | | 113 Cushman Road St. Catharines ON L2M 6S9 |
| | Michael Beuparlant | | 343 McAlpine Ave South Welland ON L3B 1V3 |
| | Michael Bosse | | 21 Cartier Court Welland ON L3B 1A3 |
| | Michael Horvath | | 105 Elgin Street Port Colborne ON L3K 3K1 |
| | Mike Arnold | | 26 Barron Street Welland ON L3C 2K5 |
| | Mike McAninch | | 17 Royal Road Port Colborne ON L3K 5X6 |
| | MSC Industrial Supply ULC | | PO Box 15805, Stn A Toronto ON M5W 1C1 |
| | Multiplex Manufacturing | | 214 Dunkirk Road St. Catharines ON L2R 7K6 |

Creditor Mailing List

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|----------------------|--------------------------------|------------------|--|
| Unsecured | Nachem | | 1528 Terrien Road Nanoose bay BC V9P 9C3 |
| | Nathan Lutomski | | 29 Admiral Road St. Catharines ON L2P 1G6 |
| | National Calibration Inc | | 11-2380 Wycroft Blvd Oakville ON L6L 6W1 |
| | NELSON CABRAL | | 10 Greenshire Drive Hamilton ON L9C 7G7 |
| | Niagara Industrial Supply | | P.O. Box 203, 606 Welland Ave St. Catharines ON L2M 5V6 |
| | O'Brien Lifting Solutions Inc. | | 4435 Corporate Dr. Burlington ON L7L 5T9 |
| | Pat Lasovich | | 60 Eastwood Drive Welland ON L3C 6W2 |
| | PAUL BROUSSEAU | | 51 Woodington Place Welland ON L3C 2J1 |
| | Paul Burger | | 149 Rice Rd Welland ON L3C 2V7 |
| | PDS Consulting | | 50 Ghent Street St. Catharines ON L2N 2C7 |
| | Perlow Steel | | 2900 S 25th Avenue Broadview IL 60155 US |
| | Peter Moar | | 25 Greenwood Avenue Welland ON L3C 4B1 |
| | Peter Ott | | 284 Helen Street Crystal Beach ON L0S 1B0 |
| | Praxair Canada Inc | | P.O. Box 400 Station D Scarborough ON M1R 5M1 |
| | Pro-Lift Machinery | | 1777 Allanport Road R.R. 1 Port Robinson ON L0S 1K0 |
| | Procon | | 401 Enterprise Drive, R. R. 4 Welland ON L3B 6H8 |
| | Purolator Courier Ltd | | PO Box 4800, Stn. Main Concord ON L4K 0K1 |
| | PVM Hydraulics | | 115 Cushman Road, Unit 61-63 St. Catharines ON L2M 6S9 |
| | Richard Gemus | | 11 Plymouth Avenue St. Catharines ON L2R 2X8 |
| | Right Machine Industrial | | 127 Vine Street St. Catharines ON L2R 3Y3 |
| | Robert Ballantyne | | 120 Borden Avenue Port Colborne ON L3K 3Z7 |
| | Roland Bilodeau | | 4406 Brookfield Road Welland ON L3B 5N7 |
| | Ross Canada | | 26 Saunders Road Barrie ON L4N 9A8 |
| | Ryan Logan | | 3744 Gunning Drive Niagara Falls ON L2G 6L4 |
| | SANDRO ALBANO | | 77 Empress Avenue Welland ON L3B 1K8 |

Creditor Mailing List

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

| Creditor Type | Name | Attention | Address |
|----------------------|--|------------------|---|
| Unsecured | SDI Steel Dynamics Bar Products Division | | 8000 North County Rd. 225 E Pittsboro IN 46167 US |
| | Select Water Company | | 289 Lincoln Street Welland ON L3B 4N5 |
| | Sentro Tech Corp | | PO Box 360462 Strongsville OH 44136 US |
| | Shred-it International ULC | | PO Box 15781, Stn A Toronto ON M5W 1C1 |
| | Snap Delivery and Trucking Inc. | | 442 Barrick Road Port Colborne ON L3K 4B7 |
| | SOS Emergency Response | | 8000 Bathurst Street. P.O. Box 30089 Thornhill ON L4J 0B8 |
| | Spectrum Abrasives Limited | | 3687 Nashua Drive Mississauga ON L4V 1V5 |
| | STEPHEN COLE | | 6344 Cherrywood Road Niagara Falls ON L2E 5K8 |
| | Superior Propane | | PO Box 4568, Stn A Toronto ON M5W 0J5 |
| | SUSAN FARNSWORTH | | 212-242 Oakdale Avenue St. Catharines ON L2P 3K5 |
| | TQL | | P.O. Box 634558 Cincinnati OH 45263-4558 USA |
| | Trent Barrick | | 31643 Dixie Road Wainfleet ON L0S 1V0 |
| | Triangle Die & Tool Co Ltd | | 604 Welland Avenue St. Catharines ON L2M 5V6 |
| | Tru-Can Management Inc | | 27-200 Fitch Street, Suite 229 Welland ON L3C 4V9 |
| | Turbopro Inc. | | 1284 Townline Road Alden NY 14004 USA |
| | Twin Eagle Resource Management Canada | | Attn: Cash Management, 8847 W Sam Houston Pkwy N Houston TX 77040 US |
| | Tytan Glove & Safety Inc. | | 533 Imperial Road North Guelph ON N1H 7M2 |
| | Wainfleet Box & Pallet | | 2232 Ramey Road Port Colborne ON L3K 5V5 |
| | Welland Forge Land Corp. | | 139 Centre Street Welland ON L3B 5P4 |
| | Welland Hydro-Electric System Corp. | Perry Orosz | 950 East Main Street PO Box 280 Welland ON L3B 5P6 Fax: (905) 732-0123 porosz@wellandhydro.com |
| | Welland Optical & Hearing | | 95 Lincoln St. West Welland ON L3C 7C3 |
| | Westlund Industrial | | 320-380 Vansickle Road St. Catharines ON L2S 0B5 |
| | Westpier Marine & Industrial Supply | | PO Box 367 Port Colborne ON L3K 1B7 |

Creditor Mailing List

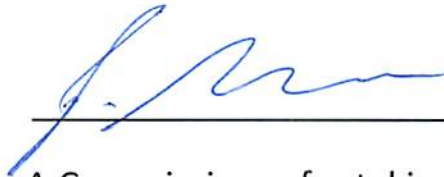
IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|----------------------|---------------------------------|------------------|---|
| Unsecured | Willson International Inc. | | 2345 Argentia Road Suite 201 Mississauga ON L5N 8K4 |
| | Wormald Masse Keen Lopinski LLP | | P.O. Box 1600 344 Lake Street St. Catharines ON L2R 7J9 Fax: (905) 937-4131 office@wmklca.com |
| | Wyatt Barrick | | 31643 Dixie Road Wainfleet ON L0S 1V0 |
| | Xerox Canada Ltd | | P.O. Box 4539, Station A Toronto ON M5W 4P5 |
| | Zakary Godard | | 14 Esther Crescent Welland ON L3B 0E9 |

This is Exhibit "B" referred to in the affidavit of
Mailing of Notice of Proposal to Creditors

of Franca Iannilli

SWORN BEFORE ME this 7th day of December 2020



A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc., Province of
Ontario, for BDO Canada LLP, and BDO Canada
Limited, and their subsidiaries, associates
and affiliates.
Expires April 13, 2021.



Province of Ontario
Division No. 07 - Hamilton
Court No. 32-2683371
Estate No. 32-2683371

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

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

REPORT OF TRUSTEE ON PROPOSAL

**TO THE CREDITORS OF
WELLAND FORGE CORP.**

Welland Forge Corp. (the "Company") filed a Notice of Intention to Make a Proposal ("NOI") under the *Bankruptcy and Insolvency Act* on the 27th day of October 2020 with the Official Receiver, and BDO Canada Limited consented to act as Trustee in the administration of the Proposal.

The Company filed a Proposal with the Official Receiver on the 26th day of November 2020. A creditors' meeting will be held to consider the Proposal on the 17th day of December 2020 at 10:00 a.m., in adherence with COVID-19 measures, via conference call 647-798-9854 Conference ID: 3415673.

We enclose herewith the following documents:

- Statutory Notice of Meeting of Creditors;
- Copy of the Certificate of Filing;
- Copy of the Proposal;
- Condensed statement of assets and liabilities;
- Listing of creditors;
- Proof of claim form (blank);
- General proxy (blank); and
- Voting letter (blank) in the event you wish to vote in advance of the meeting.

To participate in any dividend distributions, creditors must submit to the Trustee a properly completed proof of claim, together with a Statement of Account attached thereto as Schedule "A" (the "Claim"). Further, to be eligible to vote in the Proposal, the Claim must be submitted to us prior to the time of the meeting. The Claim should include all amounts outstanding as at the Date of Filing. Filing your Claim is sufficient notice to us of any disagreement you may



have with respect to the amount reported due to you in the attached documents. The completed Claim can be delivered to the Trustee's office by mail, courier, facsimile, electronic mail, or in person.

Creditors do not have to attend the creditors' meeting, but can vote on the Proposal by completing the attached voting letter and indicating their vote FOR or AGAINST the Proposal. Creditors can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form with the proof of claim form. The proxy may be given in favour of the Trustee or any individual representing you. All corporations must name a proxy.

The following information is provided to assist creditors in evaluating the Company's affairs and the Proposal. Please note we have not audited or reviewed the Company's books and records and, as a result, we are not able to express an opinion concerning the accuracy of the information contained herein. The following information originated from the Company's books and records that were made available to us, as well as from our discussions with the Company and management.

BACKGROUND

The Company was incorporated on March 29, 2011 and operated from leased premises at 139 Centre Street, Welland, Ontario. The Company provided closed die forging and machining services to local and international customers in various industries including automotive, defense, aerospace and construction. Until it ceased operations in October 2020, the Company processed a range of materials including steel, aluminium, and titanium in accordance with customer specifications through various forging processes including hammer, press and upset forging. Mr. James Hacking ("Mr. Hacking") is the Company's sole director.

The Company's difficulties began with mounting financial losses it had incurred over the last five years, to the aggregate of approximately \$5,000,000. Due to its inability to achieve profitability, in 2016 the Company retained KPMG Corporate Finance ("KPMG") to undertake an extensive marketing and sale campaign of its business. The 2016 campaign did not result in any offers for the Company's business.

Ongoing financial losses gave rise to the Company retaining KPMG again in 2018 to conduct yet another marketing and sale campaign. In the 2018 campaign, KPMG identified over 70 global strategic partners and/or private equity firms, which may have an interest in the business. Despite the expanded and extensive marketing and sale campaign, KPMG's sales process did not result in any offers.

Further, in the summer of 2020, the Company lost its largest customer to an overseas competitor. The customer historically represented approximately 65% of the Company's sales. With mounting losses, the loss of its largest customer and the inability to achieve profitability, management determined that it was unlikely that any further attempts to sell the business would be viable.

The Company finds itself unable to maintain its day-to-day operations and debt obligations. Accordingly, the Company has decided to wind down its operations through an orderly liquidation. The Company wishes to seek a settlement with its creditors and, accordingly, has filed a Proposal under the *Bankruptcy and Insolvency Act*.



SUMMARY OF PROPOSAL

The Company's assets are fully encumbered by a general security agreement in favour of Toronto-Dominion Bank ("TD"), discussed further below. Despite its security interests over the Company's assets, TD has agreed to allow the Company to use certain of the liquidation proceeds to fund a proposal to its creditors. Accordingly, the Company shall cause to be paid to the Trustee, among other amounts, the following:

- i. Former Employees are entitled to receive a distribution equal to the sum of (i) the Former Employee's maximum entitlement under WEPPA, net of the legislative prescribed reduction of 6.82%; plus (ii) 20% of:
 - the net amount of the Former Employee's proven Former Employee Claim less amounts received under (i) above.

The Company shall cause these amounts to be paid to the Trustee within 10 days of the Court Approval Date;

- ii. An amount equal to \$150,000 to be divided pro rata among all the Ordinary Creditors, excluding the Former Employee Claims, in full and complete satisfaction of their claims. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date; and
- iii. An amount equal to the Administrative Fees and Expenses.

The Company's payments shall come from the net proceeds resulting from the orderly liquidation of all of the assets utilized by the Company, after the payment of all reasonable liquidation costs.

Under the terms of the Proposal, the funds paid under the Proposal will be utilized as follows:

- The Administrative Fees and Expenses will be paid in priority to all creditors' claims;
- All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date. Based on available information, the Trustee is not aware of any amount owing under this category;
- All Secured Creditors shall be paid in accordance with the existing arrangements between the Debtor and those Secured Creditors, or as may be arranged between the Debtor and the Secured Creditors;
- Preferred Creditors will be paid in full in priority to Ordinary Creditors, immediately after Court approval. Welland Forge Land Corp. ("WFLC") is the only identified preferred creditor for a portion its unpaid rent arrears. WFLC has agreed to waive and postpone its claim in these proposal proceedings to assist in maximizing the realization to the general body of unsecured creditors;
- Ordinary Creditors will receive the balance of the remaining funds, to be divided on a pro rata basis, in full and final settlement of their proven ordinary claims;



- Creditors agree not to pursue any assessments against the Company's directors for claims against the directors of the Company that arose prior to the Date of Filing and that relate to the obligations of the Company where the directors are by law liable in their capacity as directors for the payment of such obligation; and
- All payments to creditors are subject to a levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the *Bankruptcy and Insolvency Act*, calculated at 5 percent.

If the statutory majority of creditors and the Court approve the Proposal, the Proposal will become legally binding on the Company and all Ordinary and Preferred Creditors. If the creditors reject the Proposal, the Company will be deemed to have filed an assignment in bankruptcy.

Readers are cautioned that the foregoing summary is meant only as a simplified overview. The Proposal contains terms and conditions which are not set out above. In the event of any conflict between the summary and the Proposal, the terms of the Proposal will prevail. Creditors are therefore urged to read the Proposal in its entirety and, if necessary, to consult with their professional advisors.

IDENTIFICATION AND EVALUATION OF ASSETS

The assets of the Company are subject to the encumbrances of two secured creditors as follows:

- Toronto-Dominion Bank ("TD") - as reported above TD holds a General Security Agreement ("GSA") over all of the Company's assets and property. TD registered its security interest in the Company's assets under the *Personal Property Security Act* R.S.O. 1990, c. P. 10, as amended (the "PPSA"). The Company, as guarantor, is a party to a \$65 million credit agreement between G&J Capital Inc., as borrower, and TD, as administrative agent on its own behalf and on behalf of certain other lenders dated February 19, 2019 ("Credit Agreement"). The Company's insolvency and its proposal filing constitute defaults under the Credit Agreement, however, subject to certain conditions; TD has agreed to forbear from exercising its rights under the Credit Agreement to facilitate the Company's wind down and proposal to unsecured creditors. TD enjoys a first priority position with respect to the assets and property of the Company. TD is owed approximately \$35,000,000;
- Xerox Canada Ltd. ("Xerox") - Xerox has also registered a security interest against the Company under the PPSA as security for the lease of photocopiers to the Company.

The Trustee has requested Miller Thomson LLP ("MT") to provide a legal opinion on the validity and enforceability of the security held by TD. MT has advised the Trustee that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by the Company in favour of TD creates a valid security interest and is enforceable in accordance with its terms.

The Trustee has not incurred the expense of requesting an independent legal opinion from MT of the Xerox security at this time.



Based on the above mentioned secured claims, the Trustee believes that the Company's assets are fully encumbered and believes TD would suffer a shortfall on its realization in the event of a bankruptcy.

The Trustee has identified the following assets of the Company, which, as discussed above, are fully encumbered:

Machinery and equipment ("Equipment")

The Company's Equipment consists of certain metal fabricating equipment and tools. The Company retained Platinum Asset Appraisal ("Platinum") to provide an appraisal of the Company's Equipment. Platinum opined the forced liquidation value of the Equipment, as at August 11, 2020, to be \$897,500 before related liquidation/disposition costs. Platinum further reported a sale of the Equipment in the next 90 days, could result in proceeds substantially less than the appraised values, and that some assets would likely remain unsold. Taking into account the ongoing global pandemic, the depressed current economic climate in Ontario, and the approaching holiday season slowdown in business activity, Platinum has opined that it is reasonable to expect a discount on gross realizations in the order of 20% - 30% compared to appraised values.

Additionally, the Company's books and records identified an additional amount of associated tooling for the Equipment.

Inventory

The Company's inventory consists of various finished goods and raw materials. The Company's books and records report a book value of the Inventory to be an estimated \$1,480,000. The Company continues to fill orders, during the wind down, with the remaining Inventory, converting them to accounts receivable.

Accounts receivable

The book value of the Company's accounts receivable was approximately \$1,990,000 as at October 27, 2020. Management is confident the accounts receivable are highly collectable and are assisting with collections as part of the wind down. In addition, management continues to create new accounts receivables as it sells off its remaining inventory.

The Trustee estimates that accounts receivable and Inventory will have a lower realizable value in a bankruptcy scenario. The realizable value reflects the following:

- Certain aged receivables will be deemed uncollectible;
- the Company's management may be less inclined to assist in the collection process in a bankruptcy shut-down;
- the Company's management may be less inclined to assist in with the ongoing sale of the remaining Inventory in a bankruptcy shut-down;



- Customers may be less receptive to the accounts receivable collection efforts of a trustee in bankruptcy;
- TD may enforce its rights under its security; and
- a trustee in bankruptcy will incur additional costs

Prepaid

The Company's books and records report Prepaid Expenses of approximately \$109,000. The Trustee estimates that the Prepaid Expenses have no realizable value in a bankruptcy scenario as they will be applied toward current arrears, damages, etc.

ESTIMATED REALIZATION TO CREDITORS

A Schedule of Estimated Realization comparing the estimated realization in bankruptcy scenario to the estimated realization from the offered Proposal is outlined below:

*****REMAINDER OF PAGE INTENTIONALLY LEFT BLANK*****



**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

**Schedule of Estimated Realization
As at October 27, 2020**

| | Per books at October 27, 2020 | Estimated realization in a bankruptcy | Proposal |
|--|-------------------------------------|---|---------------------|
| Estimated gross realization from assets, note 1 | | | |
| Accounts receivable | \$ 1,990,000 | Encumbered | \$ - |
| Equipment and associated tooling | 930,000 | Encumbered | |
| Inventory | 1,480,000 | Encumbered | |
| Prepaid | 109,000 | Encumbered | |
| Proposal funding | | | 1,150,000 |
| Estimated gross realization from assets | \$ 4,509,000 | - | 1,150,000 |
| Estimated cost of realization | | | |
| Filing fees and other disbursements | | 1,750 | 1,500 |
| Legal fees | | - | 50,000 |
| Trustee's fees | | 25,000 | 150,000 |
| HST | | 3,478 | 26,195 |
| Estimated disbursements | | 30,228 | 227,695 |
| Estimated amount available for total distribution | | \$ - | \$ 922,305 |
| 1. Estimated claim of Former Employees | | \$ 2,020,000 | \$ 2,020,000 |
| Estimated distribution | | | |
| Superintendent's levy | | \$ - | \$ 36,600 |
| Distribution to Former Employees - WEPPA postion, note 2 | | 410,000 | 389,500 |
| Distribution to Former Employees - additional 20% of net claim, note 2 | | - | 305,900 |
| Total dividend and levy to Former Employees | | \$ 410,000 | \$ 732,000 |
| Estimated amount available for distribution to Ordinary Creditors | | \$ - | \$ 150,000 |
| 2. Estimated claims of ordinary creditors, note 3 | | \$ 750,000 | \$ 750,000 |
| Estimated distribution | | | |
| Superintendent's levy | | \$ - | \$ 7,500 |
| Distribution to ordinary creditors | | \$ - | \$ 142,500 |
| Total dividend and levy to Ordinary Creditors | | \$ - | \$ 150,000 |
| Estimated distribution to Former Employees | | | |
| WEPP claims | | 20% | 19% |
| Additional 20% on the Former Employee's net claim, after WEPP | | - | 15% |
| Estimated distribution to ordinary creditors | | 0% | 19% |

Notes:

1. In the event of a bankruptcy scenario, it is anticipated TD will enforce under its security and will incur a shortfall in its efforts. Accordingly, the Trustee does not anticipate any surplus assets available for the general benefit of creditors in the event of bankruptcy.
2. In the event of bankruptcy, the Former Employees may make a claim under the Wage Earners Protection Program. The current maximum net amount available to the Former Employees under WEPP is \$6,798.57, dependant on the amount of their claim.
3. The Company has approximately \$8,500,000 in related party claims. The related parties have consented to postpone and waive their right to a dividend in the proposal administration to increase the distribution to the Former Employees and Ordinary Creditors.



If the Proposal is rejected, the Company will be deemed bankrupt. The Licensed Insolvency Trustee would proceed to realize on the assets available for Ordinary Creditors. The assets of the Company are fully encumbered; accordingly, the anticipated recovery under a bankruptcy scenario will be Nil, with the exception of the WEPP claims of the Former Employees. The Proposal provides a greater recovery for the Ordinary Creditors and Former Employees.

The main advantages of the Proposal are as follows:

- Management has co-operated with maximizing realization of the Company's assets for the benefit of creditors, and at a cost more economical than a bankruptcy trustee would have incurred;
- Management has negotiated the ability of using a portion of the liquidation proceeds, which would otherwise be subject to TD's security, for the benefit of the Former Employees and Ordinary Creditors under the proposal administration;
- Ordinary Creditors will experience a recovery that they may otherwise not obtain in a bankruptcy;
- TD is a validly secured creditor, holding a GSA over all of the Company's assets. It is anticipated in a bankruptcy TD will enforce on its security, and will suffer a shortfall on its realization. There will be no surplus assets available for the general benefit of creditors; and
- The quantum and timing of the recovery to the Former Employees and Ordinary Creditors is certain.

Based on all of the information that has come to the Trustee's attention to date, the Trustee recommends that the Former Employees and Ordinary Creditors accept the Company's Proposal.

We trust that the foregoing adequately explains the current and ongoing circumstances of the Company. If any questions or concerns arise, please contact Wendy Ge at (905) 615-8787 ext. 4938.

Dated at Mississauga, Ontario this 1st day of December 2020.

A handwritten signature in black ink, appearing to read 'B. Ge'.

BDO CANADA LIMITED
Trustee
1 City Centre Drive, Suite 1040
Mississauga, Ontario L5B 1M2

BDO
District of: **Ontario**
Division No. **09 - Toronto**
Court No. **32-2683371**
Estate No. **32-2683371**

Tel: 905 615 8787
Fax: 905 615 1333
www.bdo.ca

BDO Canada Limited
1 City Centre Drive, Suite 1040
Mississauga ON L5B 1M2 Canada

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO

Take notice that Welland Forge Corp. of the City of Welland in the Province of Ontario has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 17th day of December 2020 at 10:00 AM at Meeting held via telephone conference 1(847)788-9854, Conference ID:3415873.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dated at the City of Mississauga in the Province of Ontario, this 1st day of December 2020.

BDO Canada Limited/ BDO Canada Limitée - Licensed Insolvency Trustee



1 City Centre Drive Suite 1040

Mississauga ON L5B 1M2

Phone: (905) 615-8787 Fax: (905) 615-1333

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)



Industry Canada

**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada

**Bureau du surintendant
des faillites Canada**

District of Ontario
Division No. 07 - Hamilton
Court No. 32-2683371
Estate No. 32-2683371

In the Matter of the Proposal of:

**Welland Forge Corp.
Debtor**

**BDO CANADA LIMITED / BDO CANADA LIMITÉE
Licensed Insolvency Trustee**

| | | | |
|------------------------------|--|------------------|-----------|
| Date of Proposal: | November 26, 2020 | Security: | \$ |
| Meeting of Creditors: | December 17, 2020, 10:00 Teleconference Meeting Call 1-647-798-9854 ID 3415673 -, Ontario Canada, | | |
| Chair: | Trustee | | |

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: November 26, 2020, 14:14

E-File/Dépôt Electronique

Official Receiver

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

Canada

District of Ontario
Division No. 07 - Hamilton
Estate No. 32-2683371
Court No. 32-2683371

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

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGRA,
IN THE PROVINCE OF ONTARIO.**

**PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)**

WELLAND FORGE CORP. (hereinafter called the "Company") hereby submits the following Proposal (hereinafter referred to as the "Proposal") under the *Bankruptcy and Insolvency Act* to all of its creditors.

DEFINITIONS

- 1. For the purposes of this Proposal, the following terms shall have the following meaning:**
 - (i) "Act" means the *Bankruptcy and Insolvency Act*;**
 - (ii) "Administrative Fees and Expenses" means the fees and expenses incurred by or on behalf of the Trustee, as more particularly described in paragraph 19 of this Proposal;**
 - (iii) "Court" means the Ontario Superior Court of Justice in Bankruptcy and Insolvency;**
 - (iv) "Company" means Welland Forge Corp.;**
 - (v) "Court Approval Date" means the date on which the Court issues an Order approving this Proposal pursuant to the provisions of the Act, all appeal periods having expired and no appeal therefrom having been dismissed and such dismissal having become final;**
 - (vi) "Date of Filing" means the 27th day of October, 2020, being the date on which the Notice of Intention to Make a Proposal was filed with the Official Receiver in accordance with the Act ;**
 - (vii) "Director" means James Hacking, a resident of Cambridge, Ontario;**



- (viii) **"Former Employee"** means an individual who was an employee of the Company and whose employment with the Company was terminated by the Company prior to the Date of Filing;
- (ix) **"Former Employee Claim"** means the claim, if any, of a Former Employee arising from that Former Employee's termination by the Company, inclusive of wages, vacation pay and pay in lieu of reasonable notice, including, without limitation, any severance, vacation pay, bonuses, commissions, pension contributions, medical or other insurance coverage;
- (x) **"Inspectors"** means the person(s) appointed or elected as inspectors under and pursuant to the Act, in respect of the Proposal;
- (xi) **"Ordinary Creditors"** means those persons with unsecured claims as at the Date of Filing, including contingent or unliquidated claims arising out of any transaction entered into prior to the Date of Filing, which are proven in accordance with the Act and which are not secured or preferred under or pursuant to the Act;
- (xii) **"Pension Plan"** means the defined contribution registered pension plan for which the Company is both the sponsor and administrator of, bearing policy number 55668 and registration number 0577734.
- (xiii) **"Preferred Creditors"** means those creditors of the Company whose claims are entitled to be paid in priority to the claims of Ordinary Creditors as provided under section 136 of the Act;
- (xiv) **"Secured Creditors"** means those creditors of the Company who hold valid and enforceable mortgages, charges, liens, security interests and other encumbrances against any of the property or assets of the Company;
- (xv) **"Trustee"** means BDO Canada Limited or its duly appointed successor; and
- (xvi) **"WEPPA"** means the *Wage Earner Protection Program Act*.

GENERAL INTENT

2. The purpose of this Proposal is to effect an orderly wind down of the Company, working co-operatively with the Trustee, with the expectation that all creditors will derive a greater benefit than would result from a bankruptcy of the Company.
3. This Proposal winds down the affairs of the Company and amends the terms of any and all agreements between the Company and the creditors existing as at the Court Approval Date and provides the essential terms on which all claims will be fully and



finally resolved and settled. During the term of this Proposal, and provided that an event of default has not occurred and is continuing hereunder, all creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a claim including, without limitation, any proceeding or remedy to recover payment of any monies owing to creditors, to recover or enforce any judgment against the Company in respect of a claim or to commence any formal proceedings against the Company other than as provided for under this Proposal.

4. This Proposal will, as of the Court Approval Date, be binding on the Company and all creditors.

CANADA REVENUE AGENCY

5. All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date.

PRESCRIBED PENSION PLAN

6. Pursuant to section 60(1.5) of the *Bankruptcy and Insolvency Act* ("BIA"), amounts owing for unremitted employee contributions and unpaid employer contributions owing under the Pension Plan at the Date of Filing, if any, shall be paid in full in priority to the claims of the Former Employees and Ordinary Creditors.

SECURED CREDITORS

7. The claims of Secured Creditors, if any, will be paid in accordance with present arrangements existing between the Company and the holders of such secured claims or as may be mutually arranged between the Company and the holders of secured claims, or the holders of secured claims shall be permitted to realize upon their security. For certainty, this Proposal is not made to the Secured Creditors and, notwithstanding anything to the contrary in this Proposal, the claims, security interests, rights and other entitlements of the Secured Creditors shall be unaffected in all respects by this Proposal. However, this Proposal is being made on the basis that any claims of the Secured Creditors will not be paid from the proceeds of the Proposal.

PREFERRED CREDITORS

8. The claims of Preferred Creditors, if any, shall be without interest, in priority to the claims of Ordinary Creditors in accordance with section 136 of the Act.



FORMER EMPLOYEES

- 9. Former Employees with Former Employee Claims shall constitute their own class of creditors for the purpose of voting on this Proposal.**
- 10. The Company has estimated the claims of each of the Former Employees with a Former Employee Claim, attached as Schedule "A" to this Proposal. In order to determine the amount of each Former Employee Claim, Former Employees are entitled to file a proof of claim in any amount they feel they are entitled to with supporting documentation in accordance with the instructions provided by the Proposal Trustee. For simplicity:**
 - a. any Former Employee Claim of a Former Employee made in accordance with the amount set out in Schedule "A" for that Former Employee or in an amount that is less than the amount set out in Schedule "A", for that Former Employee, will be admitted by the Proposal Trustee in the amount of the claim made by the said Former Employee; and**
 - b. any Former Employee Claim of a Former Employee made in an amount greater than the amount set out in Schedule "A", for that Former Employee, will be reviewed by the Proposal Trustee and the amount by which the Former Employee Claim of the said Former Employee exceeds the amount set out in Schedule "A" for that Former Employee may be allowed or disallowed, in part or in whole, by the Proposal Trustee.**
- 11. Former Employees are entitled to receive a distribution equal to the sum of (i) the Former Employee's maximum entitlement under WEPPA, net of the legislative prescribed reduction of 6.82%; plus (ii) 20% of:**
 - the net amount of the Former Employee's proven Former Employee Claim less amounts received under (i) above.**

The Company shall cause these amounts to be paid to the Trustee within 10 days of the Court Approval Date.

ORDINARY CREDITORS

- 12. The claims of Ordinary Creditors shall be paid from the funds received pursuant to paragraph 13 of this Proposal, after the payment of the Administrative Fees and Expenses under paragraph 19 of this Proposal, the claims of Preferred Creditors under paragraph 8 of this Proposal, any amount owing to Canada Revenue Agency under paragraph 5 of this Proposal, any amount owing to the Prescribed Pension Plan under paragraph 6 of this Proposal and the claims of Former Employees under**



paragraph 11 of this Proposal. These funds shall be divided pro rata among all the Ordinary Creditors in full and complete satisfaction of their claims.

PROCEEDS UNDER THE PROPOSAL

13. The Company shall pay, or cause to be paid, to the Trustee the following amounts:

- (i) An amount equal to Canada Revenue Agency's claim under paragraph 5 of this Proposal, if any. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;**
- (ii) An amount equal to the priority payable to the Pension Plan under paragraph 6 of this Proposal. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;**
- (iii) An amount equal to the dividends required under paragraph 8 and 11. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;**
- (iv) An amount equal to \$150,000 to be divided pro rata among all the Ordinary Creditors under paragraph 12, in full and complete satisfaction of their claims. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date; and**
- (v) An amount equal to the Administrative Fees and Expenses.**

CLAIMS AGAINST THE DIRECTOR OF THE COMPANY

14. The creditors hereby agree not to pursue any assessments against the Company's Director for claims against the Director of the Company that arose prior to the Date of Filing and that relate to the obligations of the Company where the Director is by law liable in their capacity as Director as for the payment of such obligation.

PREFERENCES AND TRANSFERS AT UNDERVALUE

15. Section 95 through and including section 101 of the Act do not apply to this Proposal.

DISTRIBUTION TO CREDITORS

16. The Trustee shall make the payment of all dividends in accordance with the Act.

17. All distributions under the Proposal shall be issued by the Trustee and notwithstanding any other provisions therefore, any distributions made by the Trustee in respect of any claims pursuant to the terms hereof shall be made net of the Superintendent's Levy required to be made, pursuant to Section 147 and 60(4) of the Act.



INSPECTORS

18. The creditors may appoint one or more, but not more than five, inspectors under this Proposal whose powers shall be restricted to advising the Trustee in matters that may be referred to them by the Trustee.

ADMINISTRATIVE FEES AND EXPENSES

19. All the fees, expenses and disbursements of the Trustee in and incidental to the proceedings arising out of the Proposal, including the Trustee's legal fees and disbursements, shall be paid in priority to all claims and shall be a first charge on all payments made by the Company under this Proposal. The Trustee may take interim draws from funds paid under paragraph 13 for its administrative fees and expenses as necessary, based on actual time and charges at normal billing rates plus applicable taxes. All draws are subject to final taxation by the Court.

20. Amounts stated with respect to professional fees in this Proposal or any documents relating to it including the reports of the Trustee and the Statement of Estimated Realization, are estimates only, and will not restrict the Trustee or the Trustee's legal counsel from invoicing, taxing, and being paid all of their reasonable fees and charges based upon actual time at normal billable rates. The Trustee's expenses and disbursements include all filing, court and counselling fees, all applicable taxes, and all legal fees or extraordinary costs incidental to the Trustee's administration of this Proposal. Such amounts may be reimbursed to the Trustee at any time.

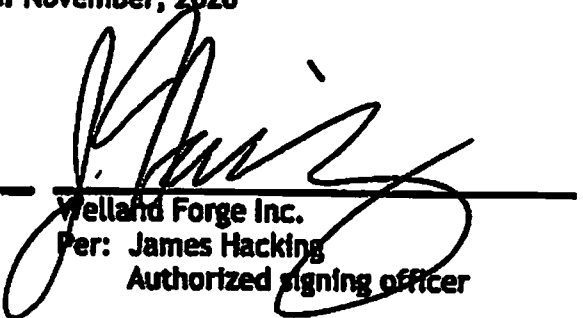
BDO CANADA LIMITED

21. BDO Canada Limited shall be the Trustee under this Proposal. The Trustee is acting in its capacity as Trustee under this Proposal and not in its personal capacity and shall not be responsible or liable for any obligations of the Company.

22. Upon payment of the dividends provided for in this Proposal, the Trustee will be entitled to be discharged from its obligations under the terms of this Proposal.

Dated at Kitchener, Ontario this 26th day of November, 2020


Witness


Welland Forge Inc.
Per: James Hacking
Authorized signing officer

Schedule "A"

| Employee | ESA Payments | Collective Agreement Severance | Common Law Settlement | Proposed Cash Amount |
|---------------------|--------------|--------------------------------|-----------------------|----------------------|
| AROLD POPE | \$8,224.00 | \$24,024.35 | | \$32,248.35 |
| BACON DON | \$8,558.00 | \$31,125.03 | | \$39,717.83 |
| BALLANTYNE ROBERT | \$9,296.00 | \$17,430.00 | | \$26,726.00 |
| BARRECK TRENT | \$8,224.00 | \$3,267.35 | | \$11,491.35 |
| BARRECK WYATT | \$8,224.00 | \$3,267.35 | | \$11,491.35 |
| BEAUPARLANT MICHAEL | \$8,158.00 | \$12,947.67 | | \$21,105.67 |
| BELGDEAU ROLAND | \$9,296.00 | \$6,270.94 | | \$15,566.94 |
| BESON GILLES JR | \$8,558.00 | \$35,557.63 | | \$44,115.63 |
| BESON GUY | \$8,806.40 | \$28,271.00 | | \$37,077.40 |
| BOISE MICHAEL | \$9,552.00 | \$29,855.97 | | \$39,407.97 |
| BURGER PAUL | \$9,296.00 | \$2,733.94 | | \$12,029.94 |
| CARDO ANTHONY | \$7,873.60 | \$25,585.50 | | \$33,459.10 |
| CASPO LOU | \$8,108.00 | \$31,425.67 | | \$39,533.67 |
| DESCHAMBEAULT CHRIS | \$8,108.00 | \$35,607.77 | | \$43,715.77 |
| DUPRE NEVEN | \$8,224.00 | \$4,749.35 | | \$12,973.35 |
| EDWARDS JOHN | \$8,224.00 | \$32,585.35 | | \$40,809.35 |
| FARRELL TIM | \$2,695.00 | \$7,122.55 | | \$9,817.55 |
| GENUS RICHARD | \$7,873.60 | \$26,228.90 | | \$34,102.50 |
| GODARD ZACHARY | \$8,158.00 | \$4,941.30 | | \$13,099.30 |
| GRAY DAVID | \$9,696.00 | \$17,415.44 | | \$27,111.44 |
| GURDICK JOHN | \$8,819.20 | \$28,991.69 | | \$37,810.89 |
| HORNATH MICHAEL | \$8,896.00 | \$4,399.55 | | \$13,295.55 |
| HOUDE JORDAN | \$8,224.00 | \$4,626.00 | | \$12,850.00 |
| JANZEN CHARLES | \$8,848.00 | \$16,307.57 | | \$25,155.57 |
| LASOVICH PAT | \$7,933.60 | \$24,661.09 | | \$32,594.69 |
| LETOURNEAU DAVE | \$7,833.60 | \$8,936.30 | | \$16,770.00 |
| LOGAN RYAN | \$8,656.00 | \$1,854.44 | | \$10,510.44 |
| LUTOMSKI NATHAN | \$8,224.00 | \$2,821.86 | | \$11,045.86 |
| MCALPINE CLAUDE | \$8,696.00 | \$2,127.06 | | \$10,823.06 |
| MCAMONCH MIKE | \$8,224.00 | \$19,922.64 | | \$28,146.64 |
| MCDONALD BRAD | \$8,224.00 | \$24,163.14 | | \$32,387.14 |
| MOAR PETER | \$8,296.00 | \$21,351.75 | | \$29,647.75 |
| MOORE BRIAN | \$8,296.00 | \$18,162.06 | | \$26,458.06 |
| OLM DON | \$8,558.00 | \$28,287.83 | | \$36,845.83 |
| OTT PETER | \$7,833.60 | \$68,833.43 | | \$76,667.03 |
| PLAMONDON MARC | \$8,108.00 | \$31,425.67 | | \$39,533.67 |
| POULIN EDDY | \$18,217.60 | \$98,816.96 | | \$117,034.56 |
| PUTZMAN DENNIS | \$7,833.60 | \$12,953.60 | | \$20,787.20 |
| SHAW AUSTIN | \$8,224.00 | \$7,688.50 | | \$15,912.50 |
| STROFFOLINO ANGELO | \$18,214.00 | \$38,688.40 | | \$56,902.40 |
| SUMBLER CHRIS | \$8,696.00 | \$42,577.55 | | \$51,273.55 |
| THOMAS DEVON | \$8,224.00 | \$15,034.50 | | \$23,258.50 |
| WALSH LORNE | \$8,696.00 | \$3,181.50 | | \$11,877.50 |
| WISWING DARYL | \$8,057.00 | \$13,718.06 | | \$21,775.06 |
| ALBANO SANDRO | \$8,558.00 | | \$2,392.00 | \$10,950.00 |
| BALLANTYNE BILL | \$43,350.00 | | \$58,650.00 | \$102,000.00 |
| BOLDUC BEVERLY | \$26,956.00 | | \$38,574.00 | \$65,530.00 |
| BROUSSEAU PAUL | \$37,574.16 | | \$44,628.94 | \$82,203.10 |
| CARRAL NELSON | \$32,345.88 | | \$32,149.12 | \$64,495.00 |
| COLE STEPHEN | \$29,496.09 | | \$38,998.91 | \$68,495.00 |
| DEAKIN JEFF | \$32,070.68 | | \$48,817.34 | \$80,888.00 |
| FARNSWORTH SUEAN | \$7,848.00 | | \$3,524.00 | \$11,372.00 |
| SHOCLAIR JOHN | \$28,782.50 | | \$21,855.50 | \$50,638.00 |
| SOMMERBERG HANNAH | \$6,194.00 | | \$3,832.00 | \$10,026.00 |
| SIOLOSKI LAUREL | \$22,605.65 | | \$18,538.34 | \$41,144.00 |
| WASILEWSKI JANE | \$41,268.00 | | \$58,862.00 | \$100,130.00 |
| | \$485,197.15 | \$352,445.29 | \$347,854.65 | \$785,496.49 |

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 48(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

**IN THE MATTER OF THE PROPOSAL OF
 WELLAND FORGE CORP.
 OF THE CITY OF WELLAND,
 IN THE REGIONAL MUNICIPALITY OF NIAGARA,
 IN THE PROVINCE OF ONTARIO.**

To the debtor

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 27th day of October 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

| LIABILITIES (as stated and estimated by the officer) | | ASSETS (as stated and estimated by the officer) | |
|---|---------------|---|----------------------|
| 1. Unsecured creditors as per list "A" | 11,250,134.05 | 1. Inventory | 1,450,000.00 |
| Balance of secured claims as per list "B" | 0.00 | 2. Trade fixtures, etc. | 0.00 |
| Total unsecured creditors | 11,250,134.05 | 3. Accounts receivable and other receivables, as per list "E" | |
| 2. Secured creditors as per list "B" | 4,400,250.00 | Good | 1,990,000.00 |
| 3. Preferred creditors as per list "C" | 0.00 | Doubtful | 0.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 30,600,000.00 | Bad | 0.00 |
| Total liabilities | 46,250,384.05 | Estimated to produce | 1,990,000.00 |
| Surplus | NIL | 4. Bills of exchange, promissory notes, etc., as per list "F" ... | 0.00 |
| | | 5. Deposits in financial institutions | 0.00 |
| | | 6. Cash | 0.00 |
| | | 7. Livestock | 0.00 |
| | | 8. Machinery, equipment and plant | 630,250.00 |
| | | 9. Real property or immovable as per list "G" | 0.00 |
| | | 10. Furniture | 0.00 |
| | | 11. RRSPs, RRDAs, life insurance, etc. | 0.00 |
| | | 12. Securities (shares, bonds, debentures, etc.) | 0.00 |
| | | 13. Interests under wills | 0.00 |
| | | 14. Vehicles | 0.00 |
| | | 15. Other property, as per list "H" | 1.00 |
| | | If debtor is a corporation, add: | |
| | | Amount of subscribed capital | 0.00 |
| | | Amount paid on capital | 0.00 |
| | | Balance subscribed and unpaid | 0.00 |
| | | Estimated to produce | 0.00 |
| | | Total assets | 4,490,251.00 |
| | | Deficiency | 41,660,133.05 |

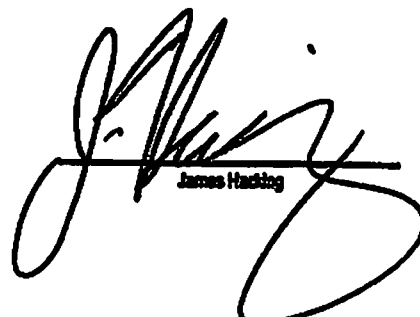
I, James Hecking, of the City of Cambridge in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a true and complete statement of the affairs of the Corporation on the 27th day of October 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Kitchener in the Province of Ontario, on this 26th day of November 2020.



Peter Nazaria, Commissioner of Oaths
 For the Province of Ontario
 Expires April 13, 2021


 James Hecking

Peter Nazaria, a Commissioner, etc., Province of Ontario, for BDO Canada LLP, and BDO Canada Limited, and their subsidiaries, associates and affiliates.
 Expires April 13, 2021.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 76 - Continued

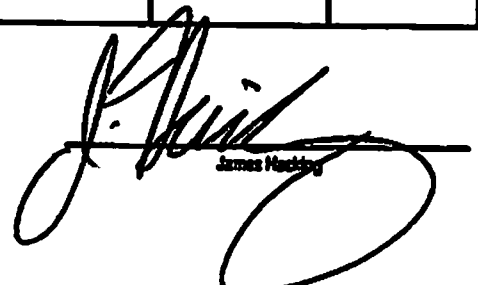
List "A"
 Unsecured Creditors

Welland Fargo Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|---|--|-----------------|------------------|-------------|
| 1 | Adica Logistics, LLC | 20601 Trolley Industrial Drive Taylor MI 48180 USA | 3,528.13 | 0.00 | 3,528.13 |
| 2 | Advanced Office Solutions | 189 South Service Road Grimsby ON L3M 4H8 | 715.82 | 0.00 | 715.82 |
| 3 | Alton Steel Inc. | 5 Cud Street Alton IL 62002 US | 109,338.02 | 0.00 | 109,338.02 |
| 4 | Angelo Strofino | 951 East Main Street, #18 Welland ON L3B 3Z2 | 49,826.40 | 0.00 | 49,826.40 |
| 5 | Anthony Cardo | 7189 Parkside Road Niagara Falls ON L2H 3K1 | 33,420.10 | 0.00 | 33,420.10 |
| 6 | Accelormetal Long Products Canada | 3900 Route des Acleries Contrecoeur QC J6L 1C0 | 91,209.75 | 0.00 | 91,209.75 |
| 7 | Alex Trucking LLC | 20601 Trolley Industrial Drive Taylor MI 48180 US | 3,128.54 | 0.00 | 3,128.54 |
| 8 | Austin Shaw | 53 Queen Street South Thorold ON L2V 3H2 | 10,922.50 | 0.00 | 10,922.50 |
| 9 | A-Z Dehydrates | 242 Doublet Road Unit 5 RR #6 St. Catharines ON L2R 7H8 | 924.00 | 0.00 | 924.00 |
| 10 | Bendon Supplies Limited Attn: Caroline Cah | 405 Collage Street, PO Box 1023 Belleville ON K8N 5B6 | 250.00 | 0.00 | 250.00 |
| 11 | BOM Canada Inc | 52 Branscote Road, Unit 1 Brampton ON L6W 3L8 | 551.22 | 0.00 | 551.22 |
| 12 | Business Basics Office Products | 389 Versatile P.O. Box 30065, RPO Ridley Square St. Catharines ON L2B 4A1 | 252.71 | 0.00 | 252.71 |
| 13 | Boil Canada - Residential C/O FCT Default Solutions | PO Box 2514, Bm B London ON N6A 4G9 | 1,467.90 | 0.00 | 1,467.90 |
| 14 | BEVERLY BOLDUC | 292 Osprey's Street Welland ON L3C 0A1 | 63,520.00 | 0.00 | 63,520.00 |
| 15 | BILL BALLANTYNE | 20214 Youngs Road South Port Colborne ON L3K 5V4 | 102,000.00 | 0.00 | 102,000.00 |
| 16 | Bob Robinson & Son Construction | PO Box 129 Port Robinson ON L0S 1K0 | 1,243.00 | 0.00 | 1,243.00 |
| 17 | Brad McDonald | 24 Easter Avenue Welland ON L3B 4Y1 | 32,367.14 | 0.00 | 32,367.14 |
| 18 | Brian Moore | 33 Somerset Avenue Welland ON L3C 3E8 | 27,458.65 | 0.00 | 27,458.65 |
| 19 | Casada Worldwide | 9 Van Der Graaf Court Brampton ON L6T 5E5 | 250.00 | 0.00 | 250.00 |
| 20 | Canadian Union & Uniform Service | Box 51073 RPO Tyndal Winnipeg MB R2X 3C8 | 3,274.75 | 0.00 | 3,274.75 |
| 21 | Cardinal Transportation | 2171 Densin Dr. Unit #5 Mississauga ON L5L 1J2 | 2,045.00 | 0.00 | 2,045.00 |
| 22 | Cashe Autochem Products | PO Box 984 Ridgeway ON L0S 1H0 | 537.11 | 0.00 | 537.11 |
| 23 | CDW Canada | 185 The West Mall Etobicoke ON M9C 5L5 | 285.61 | 0.00 | 285.61 |
| 24 | Charles Jozan | 34 Page Drive Welland ON L3C 6E4 | 25,155.97 | 0.00 | 25,155.97 |

29-Nov-2020

Date


 James Mackay

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

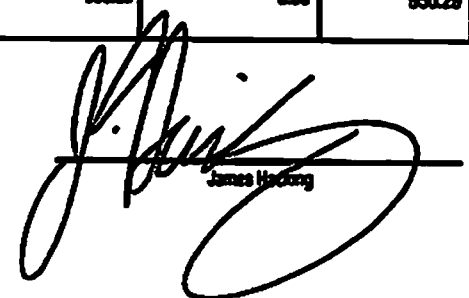
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|---|--|-----------------|------------------|-------------|
| 25 | Chris Deschambeault | 372 Corvette Street Welland ON L3B 4S7 | 43,718.57 | 0.00 | 43,718.57 |
| 26 | Chris Sombler | 3579 Carver Street, Box 38 Stevensville ON L0S 1B0 | 52,273.58 | 0.00 | 52,273.58 |
| 27 | Claude McAlpine | 659 Patricia Road Welland ON L3C 7G8 | 11,823.06 | 0.00 | 11,823.06 |
| 28 | CMM Services Inc | PO Box 396 Owen Sound ON N4K 6P7 | 1,158.25 | 0.00 | 1,158.25 |
| 29 | Corporation of The City of Welland Attn: Janet Fedard | 60 East Main Street Welland ON L3B 3X4 | 13,360.94 | 0.00 | 13,360.94 |
| 30 | Cotton Inc Environmental Services Dept. | 2125 Franklin Parkway Wagons Falls ON L2E 6S4 | 582.73 | 0.00 | 582.73 |
| 31 | CPI Service | c/o Gallock of Canada Ltd., 1954 10th Ave. NW Medicine Hat AB T1C 1T5 | 3,852.65 | 0.00 | 3,852.65 |
| 32 | Daryl Weaving | 2800 Bolzane Avenue Ridgway ON L0S 1H0 | 21,775.85 | 0.00 | 21,775.85 |
| 33 | Dave Lebrunau | 230 Denison Street, #510 Welland ON L3C 2B4 | 18,783.90 | 0.00 | 18,783.90 |
| 34 | David Gay | 599 Wylderwood Road Sheridan ON L0S 1R0 | 27,112.44 | 0.00 | 27,112.44 |
| 35 | Deonice Putzman | 40 Wanda Road St. Catharines ON L2T 1S8 | 21,787.20 | 0.00 | 21,787.20 |
| 36 | Devon Thomas | 21 Oakdale Avenue St. Catharines ON L2P 2B8 | 23,258.50 | 0.00 | 23,258.50 |
| 37 | Don Bacon | 11 Pine Street Welland ON L3C 4G2 | 39,717.53 | 0.00 | 39,717.53 |
| 38 | Don Olin | 7 Elmole Court Port Colborne ON L3K 6Z4 | 34,888.63 | 0.00 | 34,888.63 |
| 39 | Easton Steel Corporation | P.O. Box 873263 Detroit MI 48267 US | 28,252.18 | 0.00 | 28,252.18 |
| 40 | Exolab Co. | c/o Lockheed#917140, PO Box 4080, STN A Toronto ON M5W 0E8 | 250.00 | 0.00 | 250.00 |
| 41 | Edco Canada | 16795 Boul. Hymus Richmond QC H8H 3L4 | 598.90 | 0.00 | 598.90 |
| 42 | Eddy Poelin | 1068 ON Road Welland ON L3B 9E4 | 109,034.56 | 0.00 | 109,034.56 |
| 43 | Element Materials Technology | 18 High Ridge Court Cambridge ON N1R 7L3 | 250.00 | 0.00 | 250.00 |
| 44 | Embree Industries Ltd | 181 Birge Street Hamilton ON L8L 7V4 | 8,288.55 | 0.00 | 8,288.55 |
| 45 | EMA Electronics Inc. | 1521 Upper Ottawa Street, Unit 8 Hamilton ON L8W 3J4 | 2,130.05 | 0.00 | 2,130.05 |
| 46 | Erbridge Gas Distribution - Ontario Attn: Back Office Collections Department | 3401 Schmon Pkwy, PO Box 1051 Thornhill ON L2V 5A8 | 14,484.54 | 0.00 | 14,484.54 |
| 47 | Fraw Energy | 3893 Keele Street Toronto ON M3J 2X6 | 451.66 | 0.00 | 451.66 |
| 48 | Frontier Equipment | c/o M. Talbada Techs, 85 Morley Avenue Hamilton ON L8H 3R8 | 850.29 | 0.00 | 850.29 |

28-Nov-2020

Date



James Hocking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

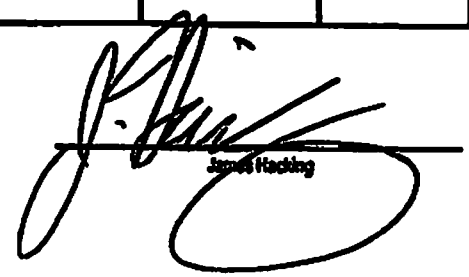
List "A"
 Unsecured Creditors

Willand Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--|---|-----------------|------------------|--------------|
| 49 | G & J Capital Inc. | 530 Manliou Drive Kitchener ON N2C 1L3 | 6,632,165.00 | 0.00 | 6,632,165.00 |
| 50 | Gente Electric Wholesale Ltd | 4104 South Service Rd. Burlington ON L7L 4X5 | 1,383.19 | 0.00 | 1,383.19 |
| 51 | Giles Blason | 238 Scheffold Ave South Windsor ON L3B 1N7 | 44,148.43 | 0.00 | 44,148.43 |
| 52 | Green Flag Metals | 25000 Centre Ridge Road Windsor ON N4W 1A5 USA | 47,534.12 | 0.00 | 47,534.12 |
| 53 | Greenside Landscaping & Lawn Services Inc. | 600 Richard Drive Port Colborne ON L2K 5V3 | 3,503.00 | 0.00 | 3,503.00 |
| 54 | Guy Blason | 22 Haffens Ave. Upper Windsor ON L3B 3A7 | 34,277.40 | 0.00 | 34,277.40 |
| 55 | HANNAH SONNENBERG | 435 McWhip Avenue North Windsor ON L3B 1T4 | 9,158.00 | 0.00 | 9,158.00 |
| 56 | I Clean Things | 41 Dundonald Street St. Catharines ON L2P 3T4 | 5,600.00 | 0.00 | 5,600.00 |
| 57 | Isolate Machine Works Ltd | P.O. Box 63 Thorold ON L2V 3Y7 | 10,372.50 | 0.00 | 10,372.50 |
| 58 | IHT United Partnership | 530 Manliou Drive Kitchener ON N2C 1L3 | 34,631.32 | 0.00 | 34,631.32 |
| 59 | IMT Partnership | 530 Manliou Drive Kitchener ON N2C 1L3 | 26,383.98 | 0.00 | 26,383.98 |
| 60 | Industrial Bandaw Services | 2412 Holmes Road, Units 1 & 2 Mississauga ON L4Y 1Y8 | 2,184.66 | 0.00 | 2,184.66 |
| 61 | JANE WASTLEWISIO | 2827 Olden Avenue Niagara Falls ON L2J 4A2 | 104,160.00 | 0.00 | 104,160.00 |
| 62 | JEFF DEAVIN | 1084 Victoria Avenue Ferrick ON L0S 1C0 | 72,686.00 | 0.00 | 72,686.00 |
| 63 | Jim Fancell | 4016 Martin Road Vineland ON L0R 2E0 | 56,618.56 | 0.00 | 56,618.56 |
| 64 | John Edwards | 235 Niagara Falls Road Thorold ON L2V 1J1 | 40,729.36 | 0.00 | 40,729.36 |
| 65 | John Gernick | 122 Green Pointe Drive Windsor ON L3C 6Y6 | 47,811.09 | 0.00 | 47,811.09 |
| 66 | JOHN SINCLAIR | 4885 Inverness Court Niagara Falls ON L2H 3B1 | 42,588.00 | 0.00 | 42,588.00 |
| 67 | Jordan House | 2803 Elm Street, PO Box 930 Ridgeway ON L0S 1H0 | 12,850.00 | 0.00 | 12,850.00 |
| 68 | Kaupp Electric Ltd | 225 Martel Street St. Catharines ON L2T 1J7 | 7,503.20 | 0.00 | 7,503.20 |
| 69 | KEL Tooling Inc | 7065 Brittany Cr. Niagara Falls ON L2H 3M6 | 5,198.00 | 0.00 | 5,198.00 |
| 70 | Kevon Dupre | 15 Edith Street St. Catharines ON L2S 2P6 | 12,973.38 | 0.00 | 12,973.38 |
| 71 | LASZLO SZOLOS | 38 Bidartwood Drive St. Catharines ON L2S 4A6 | 38,144.00 | 0.00 | 38,144.00 |
| 72 | Lawrence's Lawn Care | 1333 Bellair Avenue Ferrick ON L0S 1C0 | 250.00 | 0.00 | 250.00 |

26-Nov-2020

Date


 James Hocking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2883371
 Estate No. 32-2883371

FORM 78 -- Continued

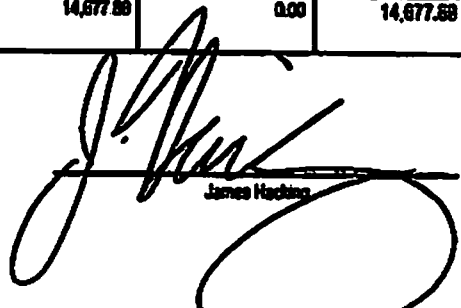
List "A"
 Unsecured Creditors

Welford Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--------------------------------|--|-----------------|------------------|-------------|
| 73 | Lorne Walsh | 64 Steele Street Port Colborne ON L2K 4K2 | 12,877.50 | 0.00 | 12,877.50 |
| 74 | Leu Czepo | 100 Riverview Blvd. St. Catharines ON L2T 3M3 | 39,535.47 | 0.00 | 39,535.47 |
| 75 | Lynn Feder | 203 - 26 Hill Street Welford ON L3C 4Y2 | 250.00 | 0.00 | 250.00 |
| 76 | Marc Ramondan | 80 Colborne Street Welford ON L3B 3P1 | 39,535.47 | 0.00 | 39,535.47 |
| 77 | McMaster-Carr Supply Company | P.O. Box 7890 Chicago IL 60680 US | 3,464.49 | 0.00 | 3,464.49 |
| 78 | Medina Supply Inc | 9 Petersburg Circle Port Colborne ON L2K 5V5 | 250.00 | 0.00 | 250.00 |
| 79 | Metal Supermarkets | 113 Cushman Road St. Catharines ON L2M 6S9 | 250.00 | 0.00 | 250.00 |
| 80 | Michael Besopiant | 343 McAlpine Ave South Welford ON L3B 1V3 | 41,055.87 | 0.00 | 41,055.87 |
| 81 | Michael Bossa | 21 Carlier Court Welford ON L3B 1A3 | 39,407.97 | 0.00 | 39,407.97 |
| 82 | Michael Horvath | 105 Elgin Street Port Colborne ON L2K 3K1 | 14,085.58 | 0.00 | 14,085.58 |
| 83 | Mike Arnold | 28 Barton Street Welford ON L3C 2K5 | 32,248.38 | 0.00 | 32,248.38 |
| 84 | Mike McArdach | 17 Royal Road Port Colborne ON L2K 6X8 | 28,146.64 | 0.00 | 28,146.64 |
| 85 | MSC Industrial Supply ULC | PO Box 15805, Stn A Toronto ON M5W 1C1 | 6,119.02 | 0.00 | 6,119.02 |
| 86 | Multiplex Manufacturing | 214 Dundick Road St. Catharines ON L2R 7K8 | 276.85 | 0.00 | 276.85 |
| 87 | Nachem | 1528 Teston Road Hampton bay SC V5P 9C3 | 250.00 | 0.00 | 250.00 |
| 88 | Nachem Lubinski | 29 Admiral Road St. Catharines ON L2P 1G6 | 11,045.85 | 0.00 | 11,045.85 |
| 89 | National Calibration Inc | 11-2320 Wycroft Blvd Ottawa ON L6L 6W1 | 922.08 | 0.00 | 922.08 |
| 90 | NELSON CABRAL | 10 Greenhills Drive Hamilton ON L9C 7G7 | 44,498.00 | 0.00 | 44,498.00 |
| 91 | Nigata Industrial Supply | P.O. Box 203, 608 Welford Ave St. Catharines ON L2M 6V6 | 250.00 | 0.00 | 250.00 |
| 92 | O'Brien Lifting Solutions Inc. | 4435 Corporate Dr. Burlington ON L7L 6T9 | 278.73 | 0.00 | 278.73 |
| 93 | Pat Lasovich | 60 Eastwood Drive Welford ON L3C 6W2 | 32,593.89 | 0.00 | 32,593.89 |
| 94 | PAUL BROUSSEAU | 51 Woodington Place Welford ON L3C 2J1 | 82,004.00 | 0.00 | 82,004.00 |
| 95 | Paul Burger | 149 Rice Rd Welford ON L3C 2V7 | 12,048.84 | 0.00 | 12,048.84 |
| 96 | PDS Consulting | 50 Ghent Street St. Catharines ON L2N 2C7 | 14,677.88 | 0.00 | 14,677.88 |

28-Nov-2020

Date


 James Mackay

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

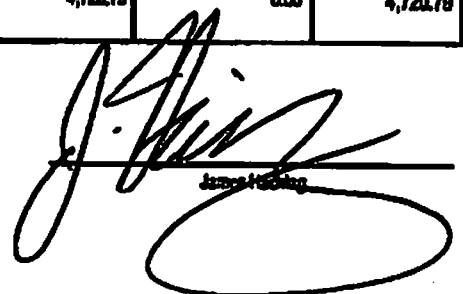
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--|--|-----------------|------------------|-------------|
| 97 | Paulow Steel | 2900 S 25th Avenue Broadview IL 60155 US | 13,261.55 | 0.00 | 13,261.55 |
| 98 | Peter Moor | 25 Greenwood Avenue Welland ON L3C 4B1 | 30,647.75 | 0.00 | 30,647.75 |
| 99 | Peter Ott | 284 Helen Street Crystal Beach ON L0S 1B0 | 77,768.23 | 0.00 | 77,768.23 |
| 100 | Praxair Canada Inc | P.O. Box 400 Station D Scarborough ON M1R 5N1 | 2,966.44 | 0.00 | 2,966.44 |
| 101 | Procon | 401 Enterprise Drive, R. R. 4 Welland ON L3B 6H8 | 560.00 | 0.00 | 560.00 |
| 102 | Pro-Lift Machinery | 1777 Airport Road R.R. 1 Port Robinson ON L0S 1N0 | 31,998.88 | 0.00 | 31,998.88 |
| 103 | Purdator Courier Ltd | PO Box 4300, Stn. Main Concord ON L4K 6K1 | 250.00 | 0.00 | 250.00 |
| 104 | PVM Hydraulics | 115 Cushman Road, Unit 61-63 St. Catharines ON L2M 8S9 | 2,828.24 | 0.00 | 2,828.24 |
| 105 | Richard Geras | 11 Plymouth Avenue St. Catharines ON L2R 2X8 | 34,154.50 | 0.00 | 34,154.50 |
| 106 | Right Machine Industrial | 127 Vine Street St. Catharines ON L2R 3Y3 | 2,938.00 | 0.00 | 2,938.00 |
| 107 | Robert Balfour | 120 Borden Avenue Port Colborne ON L3K 3Z7 | 28,728.00 | 0.00 | 28,728.00 |
| 108 | Roland Blodaux | 4408 Brookfield Road Welland ON L3B 5H7 | 15,535.94 | 0.00 | 15,535.94 |
| 109 | Rosa Canada | 28 Saunders Road Berthie ON L4N 8A8 | 1,211.25 | 0.00 | 1,211.25 |
| 110 | Ryan Logan | 3744 Gursing Drive Niagara Falls ON L2G 6L4 | 10,750.44 | 0.00 | 10,750.44 |
| 111 | SANDRO ALBANO | 77 Empress Avenue Welland ON L3B 1K8 | 11,960.00 | 0.00 | 11,960.00 |
| 112 | SOI Steel Dynamics Bar Products Division | 8000 North County Rd. 225 E Pittsboro IN 46167 US | 36,310.88 | 0.00 | 36,310.88 |
| 113 | Select Water Company | 289 Lincoln Street Welland ON L3B 4H5 | 250.00 | 0.00 | 250.00 |
| 114 | Sentro Tech Corp | PO Box 380482 Strongsville OH 44138 US | 7,202.61 | 0.00 | 7,202.61 |
| 115 | Shred-It International ULC | PO Box 15781, 8th A Toronto ON M5W 1C1 | 353.38 | 0.00 | 353.38 |
| 116 | Snap Delivery and Trucking Inc. | 442 Berrick Road Port Colborne ON L3K 4B7 | 250.00 | 0.00 | 250.00 |
| 117 | SOS Emergency Response | 6000 Bathurst Street, P.O. Box 30069 Thornhill ON L4J 0B8 | 300.00 | 0.00 | 300.00 |
| 118 | Spectrum Abrasives Limited | 3687 Nashua Drive Mississauga ON L4V 1V5 | 7,332.77 | 0.00 | 7,332.77 |
| 119 | STEPHEN COLE | 6344 Cherrywood Road Niagara Falls ON L2E 6H8 | 66,458.80 | 0.00 | 66,458.80 |
| 120 | Superior Propane | PO Box 4588, 5th A Toronto ON M5W 0J5 | 4,720.78 | 0.00 | 4,720.78 |

26-Nov-2020

Date



James H. King

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

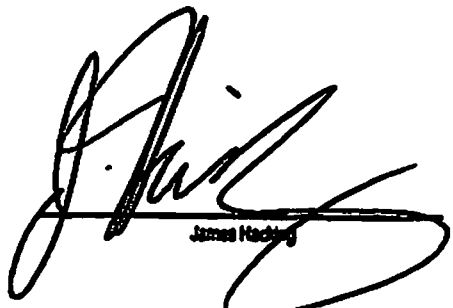
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---------------|--|---|----------------------|------------------|----------------------|
| 121 | SUSAN FARNSWORTH | 212-242 Oakdale Avenue St. Catharines ON L2P 3K5 | 10,572.00 | 0.00 | 10,572.00 |
| 122 | TCL | P.O. Box 634588 Cincinnati OH 45263-4588 USA | 22,110.00 | 0.00 | 22,110.00 |
| 123 | Tread Barick | 31843 Dixie Road Wainfleet ON L0S 1V0 | 11,431.36 | 0.00 | 11,431.36 |
| 124 | Titangle Die & Tool Co Ltd | 604 Welland Avenue St. Catharines ON L2M 5V6 | 42,572.75 | 0.00 | 42,572.75 |
| 125 | Tru-Can Management Inc | 27-300 Fish Street, Suite 229 Welland ON L3C 4V9 | 20,701.25 | 0.00 | 20,701.25 |
| 126 | Turbopro Inc. | 1284 Touraine Road Alden NY 14004 USA | 1,822.98 | 0.00 | 1,822.98 |
| 127 | Twin Eagle Resource Management Canada | Attn: Cash Management, 8847 W Sam Houston Pwy H Houston TX 77040 US | 8,678.65 | 0.00 | 8,678.65 |
| 128 | Tylen Glove & Safety Inc. | 533 Imperial Road North Geolph ON N1H 7W2 | 277.08 | 0.00 | 277.08 |
| 129 | Wainfleet Box & Pallet | 2232 Raney Road Port Colborne ON L2K 5V5 | 25,145.99 | 0.00 | 25,145.99 |
| 130 | Welland Forge Land Corp. | 138 Centre Street Welland ON L3B 5P4 | 1,810,467.00 | 0.00 | 1,810,467.00 |
| 131 | Welland Hydro-Electric System Corp. Attn: Perry Cross | 950 East Main Street PO Box 280 Welland ON L3B 6P8 | 106,284.69 | 0.00 | 106,284.69 |
| 132 | Welland Optical & Hearing | 95 Lincoln St. West Welland ON L3C 7C3 | 250.00 | 0.00 | 250.00 |
| 133 | Welland Industrial | 320-380 Vancotte Road St. Catharines ON L2B 0B5 | 298.97 | 0.00 | 298.97 |
| 134 | Westpier Marine & Industrial Supply | PO Box 367 Port Colborne ON L2K 1B7 | 250.00 | 0.00 | 250.00 |
| 135 | Wilson International Inc. | 2345 Argenta Road Suite 201 Mississauga ON L5H 6K4 | 5,022.65 | 0.00 | 5,022.65 |
| 136 | Wormald Moore Koen Logistics LLP | P.O. Box 1600 344 Lake Street St. Catharines ON L2R 7J9 | 9,378.00 | 0.00 | 9,378.00 |
| 137 | Wyatt Bank | 31843 Dixie Road Wainfleet ON L0S 1V0 | 11,431.36 | 0.00 | 11,431.36 |
| 138 | Xerox Canada Ltd | P.O. Box 4539, Station A Toronto ON M5W 4P6 | 1,244.67 | 0.00 | 1,244.67 |
| 139 | Zakary Godard | 14 Esther Crescent Welland ON L3B 0E9 | 13,050.10 | 0.00 | 13,050.10 |
| Total: | | | 11,280,134.65 | 0.00 | 11,280,134.65 |

26-Nov-2020

Date


 James Mackay

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2883371
 Estate No. 32-2883371

FORM 78 -- Continued

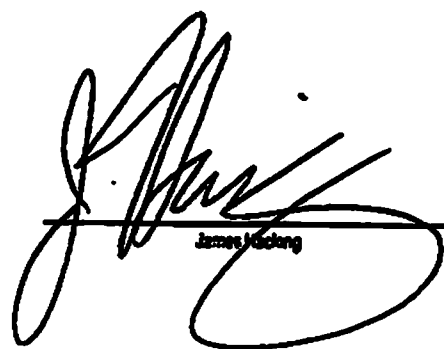
List "B"
 Secured Creditors

Weldand Forge Corp.

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---------------|---------------------------|--|---------------------|--|-------------|-----------------------------|---------------------------------|------------------|
| 1 | The Toronto Dominion Bank | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor Sean Harrison Toronto ON M5K 1A2 | 4,400,000.00 | Debts Due - Business - Accounts receivable | 01-Jan-2018 | 1,950,000.00 | | |
| | | | | Business Assets - Stock In Trade - Finished goods and raw material | 01-Jan-2018 | 1,450,000.00 | | |
| | | | | Business Assets - Machinery - Equipment and tooling | 01-Jan-2018 | 930,000.00 | | |
| | | | | Business Assets - Book Debts - Prepaids | 01-Jan-2018 | 0.00 | 1.00 | |
| 2 | Xerox Canada Ltd | 29 York Mills Road, Suite 600, Box 700 Gardenby ON M2P 2G2 | 250.00 | Business Assets - Machinery - Copiers | 01-Jan-2018 | 250.00 | | |
| Total: | | | 4,400,250.00 | | | 4,400,250.00 | 1.00 | 0.00 |

25-Nov-2020

Date



James Gidong

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2583371
Estate No. 32-2583371

FORM 78 - Continued

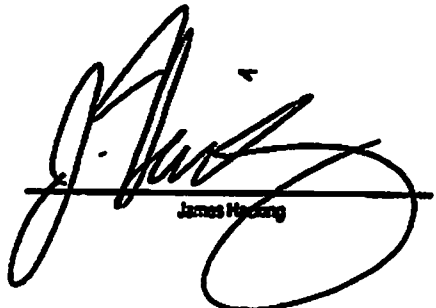
List "C"
Preferred Creditors for Wages, Rent, etc.

Wolfram Forge Corp.

| No. | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|--------|------------------|------------------------|-----------------|-----------------------------------|-----------------|------------------------|---------------------------------|
| Total: | | | | | 0.00 | 0.00 | 0.00 |

26-Nov-2020

Date



James Hocking

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 - Continued

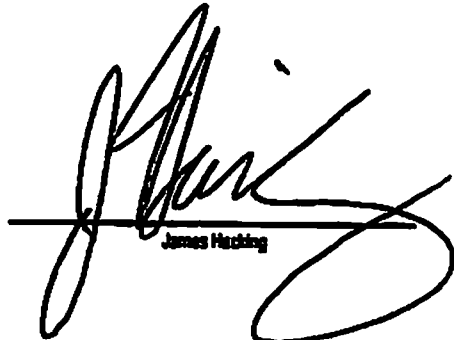
List 'D'
Contingent or Other Liabilities

Welland Forge Corp.

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|--------|------------------------------|--|------------------------------|--------------------------------------|------------------------------|---------------------|
| 1 | The Toronto Dominion Bank | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor, Suite 2600 Toronto ON M5K 1A2 | 30,600,000.00 | 0.00 | | Secured |
| Total: | | | 30,600,000.00 | 0.00 | | |

25-Nov-2020

Date


James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

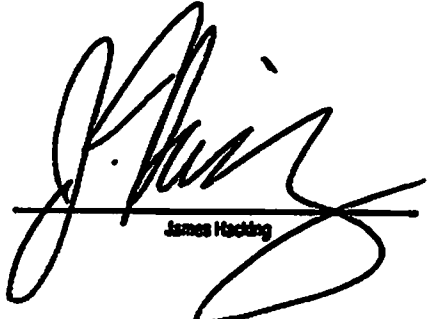
FORM 78 - Continued

List "E"
 Debts Due to the Debtor
 Welland Forge Corp.

| No. | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad) | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|--------|---------------------|---------------------------------|---------------------|--------------------------------------|--|-----------------|----------------------|---|
| 1 | Accounts receivable | 130 Centre Street Welland ON | Accounts receivable | 1,990,000.00 0.00 0.00 | | 01-Aug-2020 | 1,990,000.00 | TD Bank |
| Total: | | | | 1,990,000.00 0.00 0.00 | | | 1,990,000.00 | |

26-Nov-2020

Date


 James Mackay

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2883371
 Estate No. 32-2883371

FORM 78 - Continued

List "F"


Bills of Exchange, Promissory Notes, Lien Notes, Chattel
 Mortgages, etc., Available as Assets

Welland Forge Corp.

| No. | Name of all promissory, acceptors, endorsers, mortgagors, and guarantors | Address | Occupation | Amount of bill or note, etc. | Date when due | Estimated to produce | Particulars of any property held as security for payment of bill or note, etc. |
|--------|--|---------|------------|------------------------------|---------------|----------------------|--|
| Total: | | | | 0.00 | | 0.00 | |

25-Nov-2020

Date


 James Hasting

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 - Continued

List "G"
Real Property or Immovable Owned by Debtor
Willand Forge Corp.

| Description of property | Nature of debtor interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|-------------------------|---------------------------|--------------------------------|-------------|--|-------------------|
| Total: | | | 0.00 | | 0.00 |

26-Nov-2020

Date


James Hocking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

LIMIT
 Property

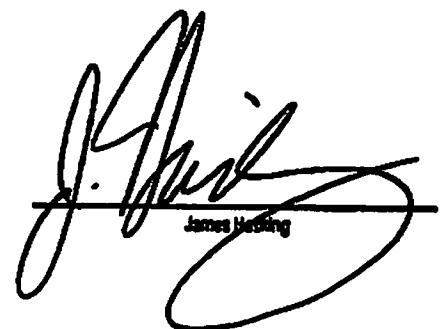
Welland Forge Corp.

FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|--|----------|---------------------------------|---------------|----------------------|
| (a) Stock-in-trade | | Finished goods and raw material | 0.00 | 1,480,000.00 |
| (b) Trade fixtures, etc. | | | 0.00 | 0.00 |
| (c) Cash in financial institutions | | | 0.00 | 0.00 |
| (d) Cash on hand | | | 0.00 | 0.00 |
| (e) Livestock | | | 0.00 | 0.00 |
| (f) Machinery, equipment and plant | | Equipment and tooling Copies | 0.00 0.00 | 930,000.00 250.00 |
| (g) Furniture | | | 0.00 | 0.00 |
| (h) Life insurance policies, RRSPs, etc. | | | 0.00 | 0.00 |
| (i) Securities | | | 0.00 | 0.00 |
| (j) Interests under wills, etc. | | | 0.00 | 0.00 |
| (k) Vehicles | | | 0.00 | 0.00 |
| (l) Taxes | | | 0.00 | 0.00 |
| (m) Other | | Bank Debts - Prepaids | 0.00 | 1.00 |
| | | | Total: | 2,410,251.00 |

26-Nov-2020

Date


 James Hocking

Court No. 32-2683371

File No. 32-2683371

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

**Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)**

**BDO Canada Limited / BDO Canada Limitée -
Licensed Insolvency Trustee
1 City Centre Drive Suite 1040
Mississauga ON L5B 1M2
Phone: (905) 615-8787 Fax: (905) 615-1333**

CANADA
PROVINCE OF ONTARIO
ESTATE NO: 32-2683371
COURT NO: 32-2683371

IN THE MATTER OF THE PROPOSAL OF

WELLAND FORGE CORP.

VOTING LETTER

I, _____

of _____

a creditor in the above matter for the sum of \$ _____, hereby request the
Trustee of the said proposal to record my vote

FOR

AGAINST

the acceptance of the proposal of the said debtor as filed with the Official Receiver on.

Dated at _____, _____

this ____ day of _____.

Signature of witness

Signature of creditor

Note: A person is not entitled to vote unless the Proof of Claim has been lodged with the
Trustee before the time appointed for the meeting. In the case of a corporation, the Voting
Letter should be accompanied by an appropriate resolution.



BDO Canada Limited
 1 City Centre Drive, Suite 1040
 Mississauga ON L5B 1M2 Canada
 Tel: 905 615 8787
 Fax: 905 615 1333

Proof of Claim - FORM 31

(Section 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy (or the proposal, or the receivership) of _____ (name of debtor) of _____ (city and province) and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).

2. That I have knowledge of all of the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the _____ day of _____, 20____, and still is, indebted to the creditor in the sum of \$_____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$_____. (Other than as a customer contemplated by Section 262 of the Act).

That in respect of this debt, I do not hold any assets of the debtor as security and (Check appropriate description.)

Regarding the amount of \$_____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$_____, I do not claim a right to a priority. (Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$_____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$_____

That in respect of this debt, I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows: (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$_____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$_____. (Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$_____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$_____

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$_____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$_____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$_____

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$_____

G. CLAIM AGAINST DIRECTOR \$_____ (To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$_____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows: (Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____, 20_____.

Witness

Creditor

Phone Number: _____

Fax Number: _____

Email Address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.
WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor. Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

General Proxy
(Paragraphs 51(1)(e) and 66.15(3)(b) and subsections 102(2))

In the matter of the bankruptcy / proposal / consumer proposal / receivership) of _____ (name of debtor) of _____ (city and province) and the claim of _____, creditor.

I / We _____ (name of creditor or representative of the creditor), of _____ (city and province), a creditor in the above matter, hereby appoint _____ of _____ to be my/our general proxy in the above matter except as to the receipt of dividends, with / without power to appoint another general proxy in his or her place.

Dated at _____, this _____ day of _____, 20_____.

Witness

Individual Creditor

Name of Corporate Creditor

Witness

Per:
Name and Title of Signing Officer

This is Exhibit "^e" referred to in the affidavit of
Mailing of Notice of Proposal to Creditors

of Franca Iannilli

SWORN BEFORE ME this ^{2nd} day of ~~DECEMBER~~ 2020

A handwritten signature in blue ink, appearing to read "P. Naumis", is written above a solid horizontal line.

A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc., Province of
Ontario, for BDO Canada LLP, and BDO Canada
Limited, and their subsidiaries, associates
and affiliates.
Expires April 13, 2021.



Government
of Canada

Gouvernement
du Canada

"C"

Update filing - update is confirmed

Welcome **Franca Iannilli** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2683371
- **Estate Name:** Welland Forge Corp.

Document(s) submitted

The following document(s) have been successfully submitted

- Form 92: Notice of Proposal to Creditors

Reference

- The Reference Number for this transaction is: **17918937**.
- Submitted by Franca Iannilli.
- 2020-12-01 13:44 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2020-07-27



Government
of Canada

Gouvernement
du Canada

Update filing - update is confirmed

Welcome **Franca Iannilli** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2683371
- **Estate Name:** Welland Forge Corp.

Document(s) submitted

The following document(s) have been successfully submitted

- Report of Trustee on Proposal

Reference

- The Reference Number for this transaction is: **17918954**.
- Submitted by Franca Iannilli.
- 2020-12-01 13:46 EST

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2020-07-27

District of ONTARIO
Division No. 09 Toronto
Court No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF PROPOSAL
TO CREDITORS

BDO CANADA LIMITED
Licensed Insolvency Trustee
1 City Centre Drive
Suite 1040
Mississauga, Ontario
L5B 1M2

Tel: (905) 615-8787
Fax: (905) 615-1333

APPENDIX IV

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

Original Amended

-- Form 78 --

Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

IN THE MATTER OF THE PROPOSAL OF
 WELLAND FORGE CORP.,
 OF THE CITY OF WELLAND,
 IN THE REGIONAL MUNICIPALITY OF NIAGARA,
 IN THE PROVINCE OF ONTARIO.

To the debtor:


You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 27th day of October 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

| LIABILITIES (as stated and estimated by the officer) | | ASSETS (as stated and estimated by the officer) | |
|---|---------------|--|---------------|
| 1. Unsecured creditors as per list "A" | 11,280,134.05 | 1. Inventory | 1,480,000.00 |
| Balance of secured claims as per list "B" | 0.00 | 2. Trade fixtures, etc. | 0.00 |
| Total unsecured creditors | 11,280,134.05 | 3. Accounts receivable and other receivables, as per list "E" | |
| | | Good | 1,990,000.00 |
| 2. Secured creditors as per list "B" | 4,400,250.00 | Doubtful | 0.00 |
| | | Bad | 0.00 |
| 3. Preferred creditors as per list "C" | 0.00 | Estimated to produce | 1,990,000.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 30,600,000.00 | 4. Bills of exchange, promissory note, etc., as per list "F" . . . | 0.00 |
| Total liabilities | 46,280,384.05 | 5. Deposits in financial institutions | 0.00 |
| Surplus | NIL | 6. Cash | 0.00 |
| | | 7. Livestock | 0.00 |
| | | 8. Machinery, equipment and plant | 930,250.00 |
| | | 9. Real property or immovable as per list "G" | 0.00 |
| | | 10. Furniture | 0.00 |
| | | 11. RRSPs, RRFs, life insurance, etc. | 0.00 |
| | | 12. Securities (shares, bonds, debentures, etc.) | 0.00 |
| | | 13. Interests under wills | 0.00 |
| | | 14. Vehicles | 0.00 |
| | | 15. Other property, as per list "H" | 1.00 |
| | | If debtor is a corporation, add: | |
| | | Amount of subscribed capital | 0.00 |
| | | Amount paid on capital | 0.00 |
| | | Balance subscribed and unpaid | 0.00 |
| | | Estimated to produce | 0.00 |
| | | Total assets | 4,400,251.00 |
| | | Deficiency | 41,880,133.05 |

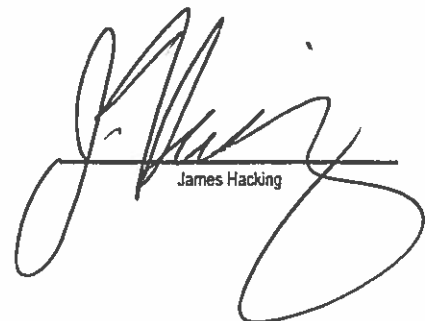
I, James Hacking, of the City of Cambridge in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 27th day of October 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Kitchener in the Province of Ontario, on this 26th day of November 2020.



 Peter Naumis, Commissioner of Oaths
 For the Province of Ontario
 Expires April 13, 2021



 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 -- Continued

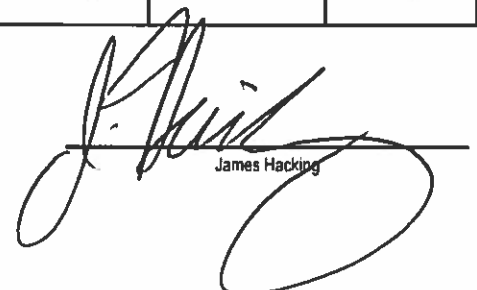
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|---|--|-----------------|------------------|-------------|
| 1 | Adica Logistics, LLC | 20601 Trolley Industrial Drive Taylor MI 48180 USA | 3,528.13 | 0.00 | 3,528.13 |
| 2 | Advanced Office Solutions | 189 South Service Road Grimsby ON L3M 4H6 | 715.82 | 0.00 | 715.82 |
| 3 | Alton Steel Inc. | 5 Cut Street Alton IL 62002 US | 109,338.02 | 0.00 | 109,338.02 |
| 4 | Angelo Strofollino | 951 East Main Street, #18 Welland ON L3B 3Z2 | 49,926.40 | 0.00 | 49,926.40 |
| 5 | Anthony Cardo | 7189 Parkside Road Niagara Falls ON L2H 3K1 | 33,420.10 | 0.00 | 33,420.10 |
| 6 | ArcelorMittal Long Products Canada | 3900 Route des Acieries Contrecoeur QC J0L 1C0 | 91,209.78 | 0.00 | 91,209.78 |
| 7 | Atlas Trucking LLC | 20601 Trolley Industrial Drive Taylor MI 48180 US | 3,128.54 | 0.00 | 3,128.54 |
| 8 | Austin Shaw | 53 Queen Street South Thorold ON L2V 3N2 | 10,922.50 | 0.00 | 10,922.50 |
| 9 | A-Z Deliveries | 242 Dunkirk Road Unit 5 RR #6 St. Catharines ON L2R 7K6 | 924.00 | 0.00 | 924.00 |
| 10 | Bardon Supplies Limited Attn: Caroline Ceh | 405 College St Et, PO Box 1023 Belleville ON K8N 5B6 | 250.00 | 0.00 | 250.00 |
| 11 | BDI Canada Inc | 52 Bramsteele Road, Unit 1 Brampton ON L6W 3L8 | 551.22 | 0.00 | 551.22 |
| 12 | Bealties Basics Office Products | 399 Vansickle P.O. Box 30065, RPO Ridley Square St. Catharines ON L2S 4A1 | 252.71 | 0.00 | 252.71 |
| 13 | Bell Canada - Residential C/O FCT Default Solutions | PO Box 2514, Stn B London ON N6A 4G9 | 1,467.90 | 0.00 | 1,467.90 |
| 14 | BEVERLY BOLDUC | 292 Draper's Street Welland ON L3C 0A1 | 63,520.00 | 0.00 | 63,520.00 |
| 15 | BILL BALLANTYNE | 20214 Youngs Road South Port Colborne ON L3K 5V4 | 102,000.00 | 0.00 | 102,000.00 |
| 16 | Bob Robinson & Son Construction | PO Box 129 Port Robinson ON L0S 1K0 | 1,243.00 | 0.00 | 1,243.00 |
| 17 | Brad McDonald | 24 Exeter Avenue Welland ON L3B 4Y1 | 32,387.14 | 0.00 | 32,387.14 |
| 18 | Brian Moore | 35 Summerlea Avenue Welland ON L3C 3E8 | 27,458.06 | 0.00 | 27,458.06 |
| 19 | Canada Worldwide | 9 Van Der Graaf Court Brampton ON L6T 5E5 | 250.00 | 0.00 | 250.00 |
| 20 | Canadian Linen & Uniform Service | Box 51073 RPO Tyndall Winnipeg MB R2X 3C6 | 3,274.78 | 0.00 | 3,274.78 |
| 21 | Cardinal Transportation | 2171 Dumwin Dr. Unit #5 Mississauga ON L5L 1X2 | 2,045.00 | 0.00 | 2,045.00 |
| 22 | Castle Autochem Products | PO Box 984 Ridgeway ON L0S 1N0 | 537.11 | 0.00 | 537.11 |
| 23 | CDW Canada | 185 The West Mall Etobicoke ON M9C 5L5 | 285.61 | 0.00 | 285.61 |
| 24 | Charles Janzen | 34 Page Drive Welland ON L3C 6E4 | 25,155.97 | 0.00 | 25,155.97 |

26-Nov-2020

Date


 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 – Continued

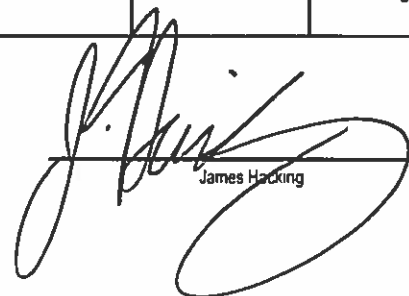
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|---|--|-----------------|------------------|-------------|
| 25 | Chns Deschambeault | 372 Corvette Street Welland ON L3B 4S7 | 43,716.57 | 0.00 | 43,716.57 |
| 26 | Chris Sumbler | 3579 Carver Street, Box 38 Stevensville ON L0S 1S0 | 52,273.56 | 0.00 | 52,273.56 |
| 27 | Claude McAlpine | 659 Penrose Road Welland ON L3C 7G8 | 11,823.06 | 0.00 | 11,823.06 |
| 28 | CMM Services Inc | PO Box 396 Owen Sound ON N4K 5P7 | 1,158.25 | 0.00 | 1,158.25 |
| 29 | Corporation of The City of Welland Attn: Janet Ferland | 60 East Main Street Welland ON L3B 3X4 | 13,360.94 | 0.00 | 13,360.94 |
| 30 | Cotton Inc Environmental Services Dept. | 2125 Fruitbelt Parkway Niagara Falls ON L2E 6S4 | 362.73 | 0.00 | 362.73 |
| 31 | CPI Service | c/o Garlock of Canada Ltd., 1954 10th Ave. NW Medicine Hat AB T1C 1T5 | 3,852.85 | 0.00 | 3,852.85 |
| 32 | Daryl Weaving | 2980 Bethune Avenue Ridgeway ON L0S 1N0 | 21,775.65 | 0.00 | 21,775.65 |
| 33 | Dave Letourneau | 230 Denistoun Street, #510 Welland ON L3C 2B4 | 16,763.90 | 0.00 | 16,763.90 |
| 34 | David Gray | 599 Wyldewood Road Sherkston ON L0S 1R0 | 27,112.44 | 0.00 | 27,112.44 |
| 35 | Dennis Putzman | 40 Wanda Road St. Catharines ON L2T 1S6 | 21,787.20 | 0.00 | 21,787.20 |
| 36 | Devon Thomas | 21 Oakdale Avenue St. Catharines ON L2P 2B8 | 23,258.50 | 0.00 | 23,258.50 |
| 37 | Don Bacon | 11 Pine Street Welland ON L3C 4G2 | 39,717.83 | 0.00 | 39,717.83 |
| 38 | Don Olm | 7 Elmvale Court Port Colborne ON L3K 5Z4 | 34,886.63 | 0.00 | 34,886.63 |
| 39 | Eaton Steel Corporation | P.O. Box 673263 Detroit MI 48267 US | 28,252.16 | 0.00 | 28,252.16 |
| 40 | Ecolab Co. | c/o Lockbox#917140, PO Box 4090, STN A Toronto ON M5W 0E9 | 250.00 | 0.00 | 250.00 |
| 41 | Edco Canada | 16755 Boul. Hymus Kirkland QC H9H 3L4 | 598.90 | 0.00 | 598.90 |
| 42 | Eddy Poulin | 1066 ON Road Welland ON L3B 5E4 | 109,034.56 | 0.00 | 109,034.56 |
| 43 | Element Materials Technology | 15 High Ridge Court Cambridge ON N1R 7L3 | 250.00 | 0.00 | 250.00 |
| 44 | Embree Industries Ltd | 151 Birge Street Hamilton ON L8L 7V4 | 8,288.55 | 0.00 | 8,288.55 |
| 45 | ENA Electronics Inc. | 1521 Upper Ottawa Street, Unit 8 Hamilton ON L8W 3J4 | 2,130.05 | 0.00 | 2,130.05 |
| 46 | Enbridge Gas Distribution - Ontario Attn: Back Office Collections Department | 3401 Schmon Pkwy, PO Box 1051 Thorold ON L2V 5A8 | 14,454.54 | 0.00 | 14,454.54 |
| 47 | Frew Energy | 3993 Keele Street Toronto ON M3J 2X6 | 451.86 | 0.00 | 451.86 |
| 48 | Frontier Equipment | c/o M. Takeda Tools, 95 Morley Avenue Hamilton ON L8H 3R8 | 950.29 | 0.00 | 950.29 |

26-Nov-2020

Date


 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 – Continued

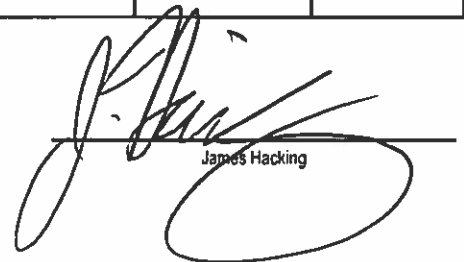
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--|---|-----------------|------------------|--------------|
| 49 | G & J Capital Inc. | 530 Manitou Drive Kitchener ON N2C 1L3 | 6,632,165.00 | 0.00 | 6,632,165.00 |
| 50 | Gemie Electric Wholesale Ltd | 4104 South Service Rd. Burlington ON L7L 4X5 | 1,383.18 | 0.00 | 1,383.18 |
| 51 | Gilles Bisson | 238 Schofield Ave South Welland ON L3B 1N7 | 44,146.43 | 0.00 | 44,146.43 |
| 52 | Green Flag Metals | 25000 Centre Ridge Road Westlake OH 44145 USA | 47,534.12 | 0.00 | 47,534.12 |
| 53 | Greenside Landscaping & Lawn Services Inc. | 800 Richard Drive Port Colborne ON L3K 5V3 | 3,503.00 | 0.00 | 3,503.00 |
| 54 | Guy Bisson | 22 Hellems Ave. Upper Welland ON L3B 3A7 | 34,277.40 | 0.00 | 34,277.40 |
| 55 | HANNAH SONNENBERG | 435 McAlpine Avenue North Welland ON L3B 1T4 | 9,156.00 | 0.00 | 9,156.00 |
| 56 | I Clean Things | 41 Dundonald Street St. Catharines ON L2P 3T4 | 5,600.00 | 0.00 | 5,600.00 |
| 57 | Iafrate Machine Works Ltd | P. O. Box 53 Thorold ON L2V 3Y7 | 10,372.50 | 0.00 | 10,372.50 |
| 58 | IHT Limited Partnership | 530 Manitou Drive Kitchener ON N2C 1L3 | 34,631.32 | 0.00 | 34,631.32 |
| 59 | IMT Partnership | 530 Manitou Drive Kitchener ON N2C 1L3 | 26,363.98 | 0.00 | 26,363.98 |
| 60 | Industrial Bandsaw Services | 2412 Haines Road, Units 1 & 2 Mississauga ON L4Y 1Y6 | 2,184.86 | 0.00 | 2,184.86 |
| 61 | JANE WASIELEWSKI | 2827 Olden Avenue Niagara Falls ON L2J 4A2 | 104,160.00 | 0.00 | 104,160.00 |
| 62 | JEFF DEAKIN | 1094 Victoria Avenue Fenwick ON L0S 1C0 | 72,688.00 | 0.00 | 72,688.00 |
| 63 | Jim Farrell | 4016 Martin Road Vineland ON L0R 2E0 | 56,818.56 | 0.00 | 56,818.56 |
| 64 | John Edwards | 235 Niagara Falls Road Thorold ON L2V 1J1 | 40,729.36 | 0.00 | 40,729.36 |
| 65 | John Gurnick | 122 Green Pointe Drive Welland ON L3C 6Y6 | 47,811.09 | 0.00 | 47,811.09 |
| 66 | JOHN SINCLAIR | 4685 Inverness Court Niagara Falls ON L2H 3B1 | 42,588.00 | 0.00 | 42,588.00 |
| 67 | Jordan House | 3603 Elm Street, PO Box 939 Ridgeway ON L0S 1N0 | 12,850.00 | 0.00 | 12,850.00 |
| 68 | Kaupp Electric Ltd | 225 Merritt Street St. Catharines ON L2T 1J7 | 7,503.20 | 0.00 | 7,503.20 |
| 69 | KEL Tooling Inc | 7088 Brittany Crt. Niagara Falls ON L2H 3N6 | 5,198.00 | 0.00 | 5,198.00 |
| 70 | Keven Dupre | 15 Edith Street St. Catharines ON L2S 2P6 | 12,973.36 | 0.00 | 12,973.36 |
| 71 | LASZLO SZOLOS | 38 Briarwood Drive St. Catharines ON L2S 4A6 | 39,144.00 | 0.00 | 39,144.00 |
| 72 | Lawrence's Lawn Care | 1353 Balfour Avenue Fenwick ON L0S 1C0 | 250.00 | 0.00 | 250.00 |

26-Nov-2020

Date


 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

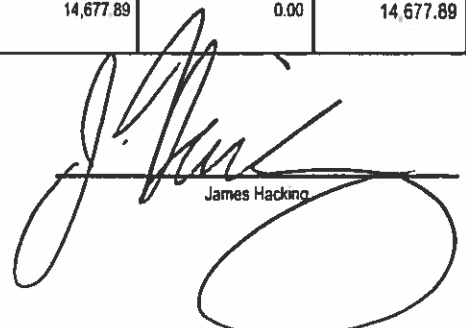
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--------------------------------|--|-----------------|------------------|-------------|
| 73 | Lorne Walsh | 64 Steele Street Port Colborne ON L2K 4X2 | 12,877.50 | 0.00 | 12,877.50 |
| 74 | Lou Crispo | 103 Riverview Blvd. St. Catharines ON L2T 3M3 | 39,535.47 | 0.00 | 39,535.47 |
| 75 | Lynn Fader | 203 - 26 Mill Street Welland ON L3C 4Y2 | 250.00 | 0.00 | 250.00 |
| 76 | Marc Flamondon | 80 Colborne Street Welland ON L3B 3P1 | 39,535.47 | 0.00 | 39,535.47 |
| 77 | McMaster-Carr Supply Company | P.O. Box 7690 Chicago IL 60680 US | 3,464.49 | 0.00 | 3,464.49 |
| 78 | Medina Supply Inc | 9 Petersburg Circle Port Colborne ON L3K 5V5 | 250.00 | 0.00 | 250.00 |
| 79 | Metal Supermarkets | 113 Cushman Road St. Catharines ON L2M 6S9 | 250.00 | 0.00 | 250.00 |
| 80 | Michael Beauparfant | 343 McAlpine Ave South Welland ON L3B 1V3 | 41,055.87 | 0.00 | 41,055.87 |
| 81 | Michael Bosse | 21 Carier Court Welland ON L3B 1A3 | 39,407.97 | 0.00 | 39,407.97 |
| 82 | Michael Horvath | 105 Elgin Street Port Colborne ON L3K 3K1 | 14,095.56 | 0.00 | 14,095.56 |
| 83 | Mike Arnold | 26 Barron Street Welland ON L3C 2K5 | 32,248.36 | 0.00 | 32,248.36 |
| 84 | Mike McAninch | 17 Royal Road Port Colborne ON L3K 5X6 | 28,146.64 | 0.00 | 28,146.64 |
| 85 | MSC Industrial Supply ULC | PO Box 15805, Stn A Toronto ON M5W 1C1 | 6,119.02 | 0.00 | 6,119.02 |
| 86 | Multiplex Manufacturing | 214 Dunkirk Road St. Catharines ON L2R 7K6 | 276.85 | 0.00 | 276.85 |
| 87 | Nachem | 1528 Terrien Road Nanosee bay BC V9P 9C3 | 250.00 | 0.00 | 250.00 |
| 88 | Nathan Lutomski | 29 Admiral Road St. Catharines ON L2P 1G6 | 11,045.86 | 0.00 | 11,045.86 |
| 89 | National Calibration Inc | 11-2380 Wycroft Blvd Oakville ON L6L 6W1 | 922.08 | 0.00 | 922.08 |
| 90 | NELSON CABRAL | 10 Greenshire Drive Hamilton ON L9C 7G7 | 44,496.00 | 0.00 | 44,496.00 |
| 91 | Niagara Industrial Supply | P.O. Box 203, 606 Welland Ave St. Catharines ON L2M 5V6 | 250.00 | 0.00 | 250.00 |
| 92 | O'Brien Lifting Solutions Inc. | 4435 Corporate Dr. Burlington ON L7L 5T9 | 278.73 | 0.00 | 278.73 |
| 93 | Pat Lasovich | 60 Eastwood Drive Welland ON L3C 6W2 | 32,593.89 | 0.00 | 32,593.89 |
| 94 | PAUL BROUSSEAU | 51 Woodington Place Welland ON L3C 2J1 | 82,004.00 | 0.00 | 82,004.00 |
| 95 | Paul Burger | 149 Rice Rd Welland ON L3C 2V7 | 12,049.94 | 0.00 | 12,049.94 |
| 96 | PDS Consulting | 50 Ghent Street St. Catharines ON L2N 2C7 | 14,677.89 | 0.00 | 14,677.89 |

26-Nov-2020

Date


 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

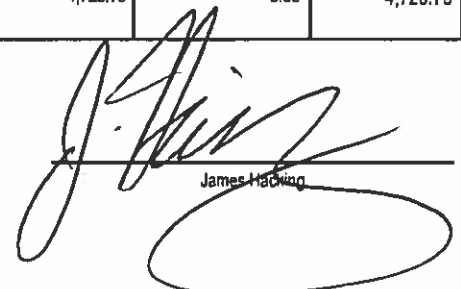
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|-----|--|--|-----------------|------------------|-------------|
| 97 | Perlow Steel | 2900 S 25th Avenue Broadview IL 60155 US | 13,261.55 | 0.00 | 13,261.55 |
| 98 | Peter Moar | 25 Greenwood Avenue Welland ON L3C 4B1 | 30,647.75 | 0.00 | 30,647.75 |
| 99 | Peter Ott | 284 Helen Street Crystal Beach ON L0S 1B0 | 77,766.23 | 0.00 | 77,766.23 |
| 100 | Praxair Canada Inc | P.O. Box 400 Station D Scarborough ON M1R 5M1 | 2,966.44 | 0.00 | 2,966.44 |
| 101 | Procon | 401 Enterprise Drive, R. R. 4 Welland ON L3B 6H8 | 560.00 | 0.00 | 560.00 |
| 102 | Pro-Lift Machinery | 1777 Allanport Road R.R. 1 Port Robinson ON L0S 1K0 | 31,966.86 | 0.00 | 31,966.86 |
| 103 | Purclator Courier Ltd | PO Box 4800, Stn. Main Concord ON L4K 0K1 | 250.00 | 0.00 | 250.00 |
| 104 | PVM Hydraulics | 115 Cushman Road, Unit 61-63 St. Catharines ON L2M 6S9 | 2,828.24 | 0.00 | 2,828.24 |
| 105 | Richard Gemus | 11 Plymouth Avenue St. Catharines ON L2R 2X8 | 34,154.50 | 0.00 | 34,154.50 |
| 106 | Right Machine Industrial | 127 Vine Street St. Catharines ON L2R 3Y3 | 2,938.00 | 0.00 | 2,938.00 |
| 107 | Robert Ballantyne | 120 Borden Avenue Port Colborne ON L3K 3Z7 | 26,726.00 | 0.00 | 26,726.00 |
| 108 | Roland Blodeau | 4406 Brookfield Road Welland ON L3B 5N7 | 15,535.94 | 0.00 | 15,535.94 |
| 109 | Ross Canada | 26 Saunders Road Bartle ON L4N 9A8 | 1,211.25 | 0.00 | 1,211.25 |
| 110 | Ryan Logan | 3744 Gunning Drive Niagara Falls ON L2G 6L4 | 10,750.44 | 0.00 | 10,750.44 |
| 111 | SANDRO ALBANO | 77 Empress Avenue Welland ON L3B 1K8 | 11,960.00 | 0.00 | 11,960.00 |
| 112 | SDI Steel Dynamics Bar Products Division | 8000 North County Rd. 225 E Pittsboro IN 46167 US | 36,310.96 | 0.00 | 36,310.96 |
| 113 | Select Water Company | 289 Lincoln Street Welland ON L3B 4N5 | 250.00 | 0.00 | 250.00 |
| 114 | Sentro Tech Corp | PO Box 360462 Strongsville OH 44136 US | 7,202.61 | 0.00 | 7,202.61 |
| 115 | Shred-it International ULC | PO Box 15781, Stn A Toronto ON M5W 1C1 | 353.38 | 0.00 | 353.38 |
| 116 | Snap Delivery and Trucking Inc. | 442 Barrick Road Port Colborne ON L3K 4B7 | 250.00 | 0.00 | 250.00 |
| 117 | SOS Emergency Response | 8000 Bathurst Street, P.O. Box 30089 Thornhill ON L4J 0B8 | 300.00 | 0.00 | 300.00 |
| 118 | Spectrum Abrasives Limited | 3687 Nashua Drive Mississauga ON L4V 1V5 | 7,332.77 | 0.00 | 7,332.77 |
| 119 | STEPHEN COLE | 6344 Cherrywood Road Niagara Falls ON L2E 5K8 | 68,496.00 | 0.00 | 68,496.00 |
| 120 | Superior Propane | PO Box 4568, Stn A Toronto ON M5W 0J5 | 4,720.79 | 0.00 | 4,720.79 |

26-Nov-2020

Date


 James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Continued

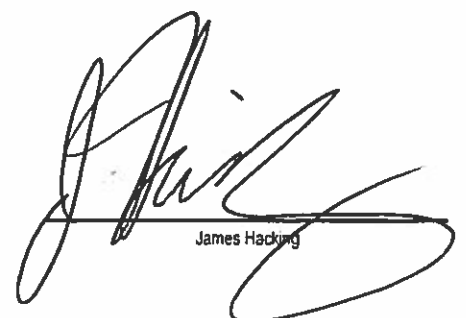
List "A"
 Unsecured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---------------|--|--|----------------------|------------------|----------------------|
| 121 | SUSAN FARNSWORTH | 212-242 Oakdale Avenue St. Catharines ON L2P 3K5 | 10,572.00 | 0.00 | 10,572.00 |
| 122 | TQL | P.O. Box 634558 Cincinnati OH 45263-4558 USA | 22,110.00 | 0.00 | 22,110.00 |
| 123 | Trent Barrick | 31643 Dixie Road Wainfleet ON L0S 1V0 | 11,431.36 | 0.00 | 11,431.36 |
| 124 | Triangle Die & Tool Co Ltd | 604 Welland Avenue St. Catharines ON L2M 5V6 | 42,572.75 | 0.00 | 42,572.75 |
| 125 | Tru-Can Management Inc | 27-200 Fitch Street, Suite 229 Welland ON L3C 4V9 | 20,701.25 | 0.00 | 20,701.25 |
| 126 | Turbopro Inc. | 1284 Towline Road Alden NY 14004 USA | 1,822.96 | 0.00 | 1,822.96 |
| 127 | Twin Eagle Resource Management Canada | Attn: Cash Management, 8847 W Sam Houston Pkwy N Houston TX 77040 US | 8,676.55 | 0.00 | 8,676.55 |
| 128 | Tytan Glove & Safety Inc. | 533 Imperial Road North Guelph ON N1H 7M2 | 277.08 | 0.00 | 277.08 |
| 129 | Wainfleet Box & Pallet | 2232 Ramey Road Port Colborne ON L3K 5V5 | 25,145.99 | 0.00 | 25,145.99 |
| 130 | Welland Forge Land Corp. | 139 Centre Street Welland ON L3B 5P4 | 1,810,467.00 | 0.00 | 1,810,467.00 |
| 131 | Welland Hydro-Electric System Corp. Attn: Perry Orosz | 950 East Main Street PO Box 280 Welland ON L3B 5P6 | 106,284.69 | 0.00 | 106,284.69 |
| 132 | Welland Optical & Hearing | 95 Lincoln St. West Welland ON L3C 7C3 | 250.00 | 0.00 | 250.00 |
| 133 | Welland Industrial | 320-380 Vansickle Road St. Catharines ON L2S 0B5 | 288.97 | 0.00 | 288.97 |
| 134 | Westpier Marine & Industrial Supply | PO Box 367 Port Colborne ON L3K 1B7 | 250.00 | 0.00 | 250.00 |
| 135 | Wilson International Inc. | 2345 Argentinia Road Suite 201 Mississauga ON L5N 8K4 | 5,022.65 | 0.00 | 5,022.65 |
| 136 | Wormald Masse Keen Lopinski LLP | P.O. Box 1600 344 Lake Street St. Catharines ON L2R 7J9 | 9,379.00 | 0.00 | 9,379.00 |
| 137 | Wyatt Barrick | 31643 Dixie Road Wainfleet ON L0S 1V0 | 11,431.36 | 0.00 | 11,431.36 |
| 138 | Xerox Canada Ltd | P.O. Box 4539 Station A Toronto ON M5W 4P5 | 1,244.87 | 0.00 | 1,244.87 |
| 139 | Zakary Godard | 14 Esther Crescent Welland ON L3B 0E9 | 13,050.10 | 0.00 | 13,050.10 |
| Total: | | | 11,280,134.05 | 0.00 | 11,280,134.05 |

26-Nov-2020

Date



James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 – Continued

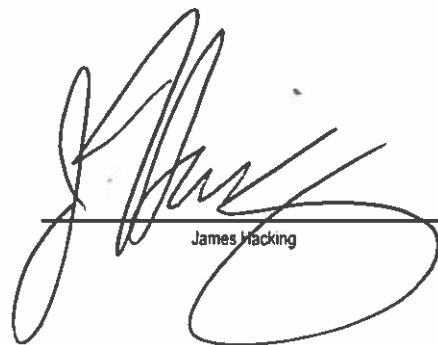
List "B"
 Secured Creditors

Welland Forge Corp.

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---------------|---------------------------|--|---------------------|---|--|--|---------------------------------|------------------|
| 1 | The Toronto Dominion Bank | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor Sean Harrison Toronto ON M5K 1A2 | 4,400,000.00 | Debts Due - Business - Accounts receivable Business Assets - Stock In Trade - Finished goods and raw material Business Assets - Machinery - Equipment and tooling Business Assets - Book Debts - Prepaids | 01-Jan-2019 01-Jan-2019 01-Jan-2019 01-Jan-2019 | 1,990,000.00 1,480,000.00 930,000.00 0.00 | 1.00 | |
| 2 | Xerox Canada Ltd | 20 York Mills Road, Suite 500, Box 700 Grimsby ON M2P 2C2 | 250.00 | Business Assets - Machinery - Copiers | 01-Jan-2018 | 250.00 | | |
| Total: | | | 4,400,250.00 | | | 4,400,250.00 | 1.00 | 0.00 |

26-Nov-2020

Date



James Hacking

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 - Continued

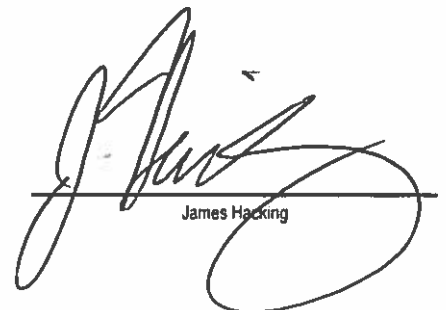
List "C"
Preferred Creditors for Wages, Rent, etc.

Welland Forge Corp.

| No. | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|--------|------------------|------------------------|-----------------|-----------------------------------|-----------------|------------------------|---------------------------------|
| Total: | | | | | 0.00 | 0.00 | 0.00 |

26-Nov-2020

Date



James Hacking

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 – Continued

List "D"
Contingent or Other Liabilities

Welland Forge Corp.

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|--------|------------------------------|--|------------------------------|--------------------------------------|------------------------------|---------------------|
| 1 | The Toronto Dominion Bank | TD Commercial Banking TD West Tower, 100 Wellington Street West, 26th Floor Sean Harrison Toronto ON M5K 1A2 | 30,600,000.00 | 0.00 | | Secured |
| Total: | | | 30,600,000.00 | 0.00 | | |

26-Nov-2020

Date


James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

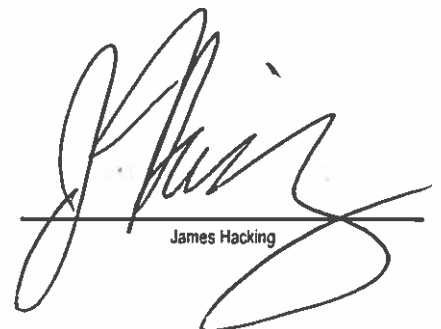
FORM 78 – Continued

List "E"
 Debts Due to the Debtor
 Welland Forge Corp.

| No. | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad) | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|--------|---------------------|---------------------------------|---------------------|--------------------------------------|--|-----------------|----------------------|---|
| 1 | Accounts receivable | 139 Centre Street Welland ON | Accounts receivable | 1,990,000.00 0.00 0.00 | | 01-Aug-2020 | 1,990,000.00 | TD Bank |
| Total: | | | | 1,990,000.00 0.00 0.00 | | | 1,990,000.00 | |

26-Nov-2020

Date



James Hacking

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 - Continued

List "F"

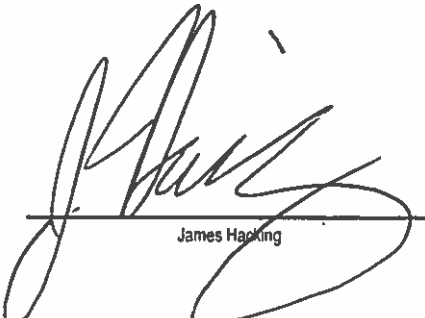
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

Welland Forge Corp.

| No. | Name of all promissory, acceptors, endorsers, mortgagors, and guarantors | Address | Occupation | Amount of bill or note, etc. | Date when due | Estimated to produce | Particulars of any property held as security for payment of bill or note, etc. |
|--------|--|---------|------------|------------------------------|---------------|----------------------|--|
| Total: | | | | 0.00 | | 0.00 | |

26-Nov-2020

Date


James Hacking

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 78 -- Continued

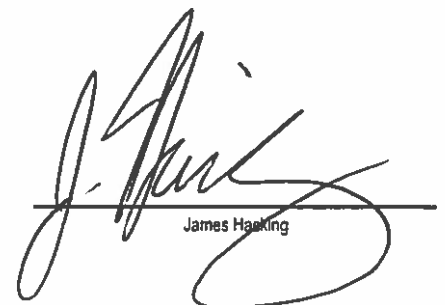
List "G"
Real Property or Immovables Owned by Debtor

Welland Forge Corp.

| Description of property | Nature of debtor interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|-------------------------|---------------------------|--------------------------------|-------------|--|-------------------|
| Total: | | | 0.00 | | 0.00 |

26-Nov-2020

Date


James Hacking

District of: Ontario
 Division No. 09 - Toronto
 Court No. 32-2683371
 Estate No. 32-2683371

FORM 78 - Concluded

List "H"
 Property

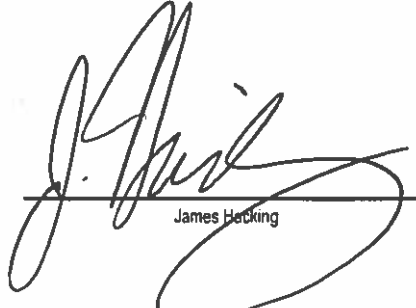
Welland Forge Corp.

FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|--|----------|---------------------------------|---------------|----------------------|
| (a) Stock-in-trade | | Finished goods and raw material | 0.00 | 1,480,000.00 |
| (b) Trade fixtures, etc. | | | 0.00 | 0.00 |
| (c) Cash in financial institutions | | | 0.00 | 0.00 |
| (d) Cash on hand | | | 0.00 | 0.00 |
| (e) Livestock | | | 0.00 | 0.00 |
| (f) Machinery, equipment and plant | | Equipment and tooling | 0.00 | 930,000.00 |
| | | Copiers | 0.00 | 250.00 |
| (g) Furniture | | | 0.00 | 0.00 |
| (h) Life insurance policies, RRSPs, etc. | | | 0.00 | 0.00 |
| (i) Securities | | | 0.00 | 0.00 |
| (j) Interests under wills, etc. | | | 0.00 | 0.00 |
| (k) Vehicles | | | 0.00 | 0.00 |
| (l) Taxes | | | 0.00 | 0.00 |
| (m) Other | | Book Debts - Prepaids | 0.00 | 1.00 |
| | | | Total: | 2,410,251.00 |

26-Nov-2020

Date



James Hacking

Court No. 32-2683371

File No. 32-2683371

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

BDO Canada Limited / BDO Canada Limitée -
Licensed Insolvency Trustee
1 City Centre Drive Suite 1040
Mississauga ON L5B 1M2
Phone: (905) 615-8787 Fax: (905) 615-1333

APPENDIX V



Tel: 905 615 8787
Fax: 905 615 1333
www.bdo.ca

BDO Canada Limited
1 City Centre Drive, Suite 1040
Mississauga ON L5B 1M2 Canada

Province of Ontario
Division No. 07 - Hamilton
Court No. 32-2683371
Estate No. 32-2683371

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

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

REPORT OF TRUSTEE ON PROPOSAL

**TO THE CREDITORS OF
WELLAND FORGE CORP.**

Welland Forge Corp. (the "Company") filed a Notice of Intention to Make a Proposal ("NOI") under the *Bankruptcy and Insolvency Act* on the 27th day of October 2020 with the Official Receiver, and BDO Canada Limited consented to act as Trustee in the administration of the Proposal.

The Company filed a Proposal with the Official Receiver on the 26th day of November 2020. A creditors' meeting will be held to consider the Proposal on the 17th day of December 2020 at 10:00 a.m., in adherence with COVID-19 measures, via conference call 647-798-9854 Conference ID: 3415673.

We enclose herewith the following documents:

- Statutory Notice of Meeting of Creditors;
- Copy of the Certificate of Filing;
- Copy of the Proposal;
- Condensed statement of assets and liabilities;
- Listing of creditors;
- Proof of claim form (blank);
- General proxy (blank); and
- Voting letter (blank) in the event you wish to vote in advance of the meeting.

To participate in any dividend distributions, creditors must submit to the Trustee a properly completed proof of claim, together with a Statement of Account attached thereto as Schedule "A" (the "Claim"). Further, to be eligible to vote in the Proposal, the Claim must be submitted to us prior to the time of the meeting. The Claim should include all amounts outstanding as at the Date of Filing. Filing your Claim is sufficient notice to us of any disagreement you may

have with respect to the amount reported due to you in the attached documents. The completed Claim can be delivered to the Trustee's office by mail, courier, facsimile, electronic mail, or in person.

Creditors do not have to attend the creditors' meeting, but can vote on the Proposal by completing the attached voting letter and indicating their vote FOR or AGAINST the Proposal. Creditors can also appoint a person to represent them at the creditors' meeting by submitting a properly completed proxy form with the proof of claim form. The proxy may be given in favour of the Trustee or any individual representing you. All corporations must name a proxy.

The following information is provided to assist creditors in evaluating the Company's affairs and the Proposal. Please note we have not audited or reviewed the Company's books and records and, as a result, we are not able to express an opinion concerning the accuracy of the information contained herein. The following information originated from the Company's books and records that were made available to us, as well as from our discussions with the Company and management.

BACKGROUND

The Company was incorporated on March 29, 2011 and operated from leased premises at 139 Centre Street, Welland, Ontario. The Company provided closed die forging and machining services to local and international customers in various industries including automotive, defense, aerospace and construction. Until it ceased operations in October 2020, the Company processed a range of materials including steel, aluminium, and titanium in accordance with customer specifications through various forging processes including hammer, press and upset forging. Mr. James Hacking ("Mr. Hacking") is the Company's sole director.

The Company's difficulties began with mounting financial losses it had incurred over the last five years, to the aggregate of approximately \$5,000,000. Due to its inability to achieve profitability, in 2016 the Company retained KPMG Corporate Finance ("KPMG") to undertake an extensive marketing and sale campaign of its business. The 2016 campaign did not result in any offers for the Company's business.

Ongoing financial losses gave rise to the Company retaining KPMG again in 2018 to conduct yet another marketing and sale campaign. In the 2018 campaign, KPMG identified over 70 global strategic partners and/or private equity firms, which may have an interest in the business. Despite the expanded and extensive marketing and sale campaign, KPMG's sales process did not result in any offers.

Further, in the summer of 2020, the Company lost its largest customer to an overseas competitor. The customer historically represented approximately 65% of the Company's sales. With mounting losses, the loss of its largest customer and the inability to achieve profitability, management determined that it was unlikely that any further attempts to sell the business would be viable.

The Company finds itself unable to maintain its day-to-day operations and debt obligations. Accordingly, the Company has decided to wind down its operations through an orderly liquidation. The Company wishes to seek a settlement with its creditors and, accordingly, has filed a Proposal under the *Bankruptcy and Insolvency Act*.

SUMMARY OF PROPOSAL

The Company's assets are fully encumbered by a general security agreement in favour of Toronto-Dominion Bank ("TD"), discussed further below. Despite its security interests over the Company's assets, TD has agreed to allow the Company to use certain of the liquidation proceeds to fund a proposal to its creditors. Accordingly, the Company shall cause to be paid to the Trustee, among other amounts, the following:

- i. Former Employees are entitled to receive a distribution equal to the sum of (i) the Former Employee's maximum entitlement under WEPPA, net of the legislative prescribed reduction of 6.82%; plus (ii) 20% of:
 - the net amount of the Former Employee's proven Former Employee Claim less amounts received under (i) above.

The Company shall cause these amounts to be paid to the Trustee within 10 days of the Court Approval Date;

- ii. An amount equal to \$150,000 to be divided pro rata among all the Ordinary Creditors, excluding the Former Employee Claims, in full and complete satisfaction of their claims. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date; and
- iii. An amount equal to the Administrative Fees and Expenses.

The Company's payments shall come from the net proceeds resulting from the orderly liquidation of all of the assets utilized by the Company, after the payment of all reasonable liquidation costs.

Under the terms of the Proposal, the funds paid under the Proposal will be utilized as follows:

- The Administrative Fees and Expenses will be paid in priority to all creditors' claims;
- All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date. Based on available information, the Trustee is not aware of any amount owing under this category;
- All Secured Creditors shall be paid in accordance with the existing arrangements between the Debtor and those Secured Creditors, or as may be arranged between the Debtor and the Secured Creditors;
- Preferred Creditors will be paid in full in priority to Ordinary Creditors, immediately after Court approval. Welland Forge Land Corp. ("WFLC") is the only identified preferred creditor for a portion its unpaid rent arrears. WFLC has agreed to waive and postpone its claim in these proposal proceedings to assist in maximizing the realization to the general body of unsecured creditors;
- Ordinary Creditors will receive the balance of the remaining funds, to be divided on a pro rata basis, in full and final settlement of their proven ordinary claims;

- Creditors agree not to pursue any assessments against the Company's directors for claims against the directors of the Company that arose prior to the Date of Filing and that relate to the obligations of the Company where the directors are by law liable in their capacity as directors for the payment of such obligation; and
- All payments to creditors are subject to a levy payable to the Superintendent of Bankruptcy pursuant to section 147 of the *Bankruptcy and Insolvency Act*, calculated at 5 percent.

If the statutory majority of creditors and the Court approve the Proposal, the Proposal will become legally binding on the Company and all Ordinary and Preferred Creditors. If the creditors reject the Proposal, the Company will be deemed to have filed an assignment in bankruptcy.

Readers are cautioned that the foregoing summary is meant only as a simplified overview. The Proposal contains terms and conditions which are not set out above. In the event of any conflict between the summary and the Proposal, the terms of the Proposal will prevail. Creditors are therefore urged to read the Proposal in its entirety and, if necessary, to consult with their professional advisors.

IDENTIFICATION AND EVALUATION OF ASSETS

The assets of the Company are subject to the encumbrances of two secured creditors as follows:

- Toronto-Dominion Bank ("TD") - as reported above TD holds a General Security Agreement ("GSA") over all of the Company's assets and property. TD registered its security interest in the Company's assets under the *Personal Property Security Act* R.S.O. 1990, c. P. 10, as amended (the "PPSA"). The Company, as guarantor, is a party to a \$65 million credit agreement between G&J Capital Inc., as borrower, and TD, as administrative agent on its own behalf and on behalf of certain other lenders dated February 19, 2019 ("Credit Agreement"). The Company's insolvency and its proposal filing constitute defaults under the Credit Agreement, however, subject to certain conditions; TD has agreed to forbear from exercising its rights under the Credit Agreement to facilitate the Company's wind down and proposal to unsecured creditors. TD enjoys a first priority position with respect to the assets and property of the Company. TD is owed approximately \$35,000,000;
- Xerox Canada Ltd. ("Xerox") - Xerox has also registered a security interest against the Company under the PPSA as security for the lease of photocopiers to the Company.

The Trustee has requested Miller Thomson LLP ("MT") to provide a legal opinion on the validity and enforceability of the security held by TD. MT has advised the Trustee that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by the Company in favour of TD creates a valid security interest and is enforceable in accordance with its terms.

The Trustee has not incurred the expense of requesting an independent legal opinion from MT of the Xerox security at this time.

Based on the above mentioned secured claims, the Trustee believes that the Company's assets are fully encumbered and believes TD would suffer a shortfall on its realization in the event of a bankruptcy.

The Trustee has identified the following assets of the Company, which, as discussed above, are fully encumbered:

Machinery and equipment ("Equipment")

The Company's Equipment consists of certain metal fabricating equipment and tools. The Company retained Platinum Asset Appraisal ("Platinum") to provide an appraisal of the Company's Equipment. Platinum opined the forced liquidation value of the Equipment, as at August 11, 2020, to be \$897,500 before related liquidation/disposition costs. Platinum further reported a sale of the Equipment in the next 90 days, could result in proceeds substantially less than the appraised values, and that some assets would likely remain unsold. Taking into account the ongoing global pandemic, the depressed current economic climate in Ontario, and the approaching holiday season slowdown in business activity, Platinum has opined that it is reasonable to expect a discount on gross realizations in the order of 20% - 30% compared to appraised values.

Additionally, the Company's books and records identified an additional amount of associated tooling for the Equipment.

Inventory

The Company's inventory consists of various finished goods and raw materials. The Company's books and records report a book value of the Inventory to be an estimated \$1,480,000. The Company continues to fill orders, during the wind down, with the remaining inventory, converting them to accounts receivable.

Accounts receivable

The book value of the Company's accounts receivable was approximately \$1,990,000 as at October 27, 2020. Management is confident the accounts receivable are highly collectable and are assisting with collections as part of the wind down. In addition, management continues to create new accounts receivables as it sells off its remaining inventory;

The Trustee estimates that accounts receivable and Inventory will have a lower realizable value in a bankruptcy scenario. The realizable value reflects the following:

- Certain aged receivables will be deemed uncollectible;
- the Company's management may be less inclined to assist in the collection process in a bankruptcy shut-down;
- the Company's management may be less inclined to assist in with the ongoing sale of the remaining Inventory in a bankruptcy shut-down;

- Customers may be less receptive to the accounts receivable collection efforts of a trustee in bankruptcy;
- TD may enforce its rights under its security; and
- a trustee in bankruptcy will incur additional costs

Prepaid

The Company's books and records report Prepaid Expenses of approximately \$109,000. The Trustee estimates that the Prepaid Expenses have no realizable value in a bankruptcy scenario as they will be applied toward current arrears, damages, etc.

ESTIMATED REALIZATION TO CREDITORS

A Schedule of Estimated Realization comparing the estimated realization in bankruptcy scenario to the estimated realization from the offered Proposal is outlined below:

*****REMAINDER OF PAGE INTENTIONALLY LEFT BLANK*****

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

**Schedule of Estimated Realization
As at October 27, 2020**

| | Per books at October 27, 2020 | Estimated realization in a bankruptcy | Proposal |
|--|-------------------------------------|---|---------------------|
| Estimated gross realization from assets, note 1 | | | |
| Accounts receivable | \$ 1,990,000 | Encumbered | \$ - |
| Equipment and associated tooling | 930,000 | Encumbered | |
| Inventory | 1,480,000 | Encumbered | |
| Prepaid | 109,000 | Encumbered | |
| Proposal funding | | | 1,150,000 |
| Estimated gross realization from assets | <u>\$ 4,509,000</u> | - | <u>1,150,000</u> |
| Estimated cost of realization | | | |
| Filing fees and other disbursements | | 1,750 | 1,500 |
| Legal fees | | - | 50,000 |
| Trustee's fees | | 25,000 | 150,000 |
| HST | | 3,478 | 26,195 |
| Estimated disbursements | | <u>30,228</u> | <u>227,695</u> |
| Estimated amount available for total distribution | | <u>\$ -</u> | <u>\$ 922,305</u> |
| 1. Estimated claim of Former Employees | | <u>\$ 2,020,000</u> | <u>\$ 2,020,000</u> |
| Estimated distribution | | | |
| Superintendent's levy | | \$ - | \$ 36,600 |
| Distribution to Former Employees - WEPPA position, note 2 | | 410,000 | 389,500 |
| Distribution to Former Employees - additional 20% of net claim, note 2 | | - | 305,900 |
| Total dividend and levy to Former Employees | | <u>\$ 410,000</u> | <u>\$ 732,000</u> |
| Estimated amount available for distribution to Ordinary Creditors | | <u>\$ -</u> | <u>\$ 150,000</u> |
| 2. Estimated claims of ordinary creditors, note 3 | | <u>\$ 750,000</u> | <u>\$ 750,000</u> |
| Estimated distribution | | | |
| Superintendent's levy | | \$ - | \$ 7,500 |
| Distribution to ordinary creditors | | \$ - | \$ 142,500 |
| Total dividend and levy to Ordinary Creditors | | <u>\$ -</u> | <u>\$ 150,000</u> |
| Estimated distribution to Former Employees | | | |
| WEPP claims | | 20% | 19% |
| Additional 20% on the Former Employee's net claim, after WEPP | | - | 15% |
| Estimated distribution to ordinary creditors | | <u>0%</u> | <u>19%</u> |

Notes:

- In the event of a bankruptcy scenario, it is anticipated TD will enforce under its security and will incur a shortfall in its efforts. Accordingly, the Trustee does not anticipate any surplus assets available for the general benefit of creditors in the event of bankruptcy.
- In the event of bankruptcy, the Former Employees may make a claim under the Wage Earners Protection Program. The current maximum net amount available to the Former Employees under WEPP is \$6,798.57, dependant on the amount of their claim.
- The Company has approximately \$8,500,000 in related party claims. The related parties have consented to postpone and waive their right to a dividend in the proposal administration to increase the distribution to the Former Employees and Ordinary Creditors.

If the Proposal is rejected, the Company will be deemed bankrupt. The Licensed Insolvency Trustee would proceed to realize on the assets available for Ordinary Creditors. The assets of the Company are fully encumbered; accordingly, the anticipated recovery under a bankruptcy scenario will be Nil, with the exception of the WEPP claims of the Former Employees. The Proposal provides a greater recovery for the Ordinary Creditors and Former Employees.

The main advantages of the Proposal are as follows:

- Management has co-operated with maximizing realization of the Company's assets for the benefit of creditors, and at a cost more economical than a bankruptcy trustee would have incurred;
- Management has negotiated the ability of using a portion of the liquidation proceeds, which would otherwise be subject to TD's security, for the benefit of the Former Employees and Ordinary Creditors under the proposal administration;
- Ordinary Creditors will experience a recovery that they may otherwise not obtain in a bankruptcy;
- TD is a validly secured creditor, holding a GSA over all of the Company's assets. It is anticipated in a bankruptcy TD will enforce on its security, and will suffer a shortfall on its realization. There will be no surplus assets available for the general benefit of creditors; and
- The quantum and timing of the recovery to the Former Employees and Ordinary Creditors is certain.

Based on all of the information that has come to the Trustee's attention to date, the Trustee recommends that the Former Employees and Ordinary Creditors accept the Company's Proposal.

We trust that the foregoing adequately explains the current and ongoing circumstances of the Company. If any questions or concerns arise, please contact Wendy Ge at (905) 615-8787 ext. 4938.

Dated at Mississauga, Ontario this 1st day of December 2020.



BDO CANADA LIMITED
Trustee
1 City Centre Drive, Suite 1040
Mississauga, Ontario L5B 1M2

APPENDIX VI

District of ONTARIO
Division No. 09 Toronto
Court No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF
HEARING OF APPLICATION FOR COURT APPROVAL OF PROPOSAL

I, Franca Iannilli, of the Trustee's office of BDO Canada, hereby make oath and say:

That on January 18, 2021, I did cause to be mailed by prepaid ordinary mail to the principal of the debtor company, and to the known creditors, whose name(s) and address(es) appear on the paper-writing marked "A" annexed hereto, a copy of the Notice of Hearing of Application for Court Approval of Proposal marked "B" annexed hereto.

And that on same date, I did also cause to be e-filed a copy of the Notice of Hearing of Application for Court Approval of Proposal with the Official Receiver. E-filing confirmation marked "C" annexed hereto.



Franca Iannilli

SWORN before me in the City of Mississauga, in the Province of Ontario
this January 18, 2021



A Commissioner in and for the
Province of Ontario

Peter Naumis, a Commissioner, etc., Province of
Ontario, for BDO Canada LLP, and BDO Canada
Limited, and their subsidiaries, associates
and affiliates.
Expires April 13, 2021.

This is Exhibit "A" referred to in the affidavit of mailing of the Notice of Hearing of Application for Court Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 18th day of Jan, 2021



A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc., Province of Ontario, for BDO Canada LLP, and BDO Canada Limited, and their subsidiaries, associates and affiliates.
Expires April 13, 2021.

Creditor Mailing List

"A"

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|---|-----------|---|
| Director | James Hacking | | 999 Blair Road Cambridge ON N3H 4R8 |
| Unsecured | Advanced Office Solutions | | 189 South Service Road Grimsby ON L3M 4H6 |
| | Alton Steel Inc. | | 5 Cut Street Alton IL 62002 US |
| | Angelo Stroppolino | | 951 East Main Street, #18 Welland ON L3B 3Z2 |
| | Anthony Cardo | | 7189 Parkside Road Niagara Falls ON L2H 3K1 |
| | ArcelorMittal Long Products Canada | | 3900 Route des Acieries Contrecoeur QC J0L 1C0 |
| | Austin Shaw | | 53 Queen Street South Thorold ON L2V 3N2 |
| | BDI Canada Inc | | 52 Bramsteele Road, Unit 1 Brampton ON L6W 3L8 |
| | BEVERLY BOLDUC | | 292 Draper's Street Welland ON L3C 0A1 |
| | BILL BALLANTYNE | | 20214 Youngs Road South Port Colborne ON L3K 5V4 |
| | Brad McDonald | | 24 Exeter Avenue Welland ON L3B 4Y1 |
| | Brian Moore | | 35 Summerlea Avenue Welland ON L3C 3E8 |
| | Cardinal Transportation | | 2171 Dunwin Dr. Unit #5 Mississauga ON L5L 1X2 |
| | Charles Janzen | | 34 Page Drive Welland ON L3C 6E4 |
| | Chris Deschambeault | | 372 Corvette Street Welland ON L3B 4S7 |
| | Chris Sumbler | | 3579 Carver Street, Box 38 Stevensville ON L0S 1S0 |
| | Claude McAlpine | | 659 Penrose Road Welland ON L3C 7G8 |
| | CMM Services Inc | | 298 Zellar Drive Kitchener ON N2A 0B4 |
| | Cotton Inc Environmental Services Dept. | | 2125 Fruitbelt Parkway Niagara Falls ON L2E 6S4 |
| | CPI Service | | c/o Garlock of Canada Ltd., 1954 10th Ave. NW Medicine Hat AB T1C 1T5 |
| | Daryl Weaving | | 2980 Bethune Avenue Ridgeway ON L0S 1N0 |
| | Dave Letourneau | | 230 Denistoun Street, #510 Welland ON L3C 2B4 |
| | David Gray | | 599 Wyldewood Road Sherkston ON L0S 1R0 |
| | Dennis Putzman | | 40 Wanda Road St. Catharines ON L2T 1S6 |

Creditor Mailing List

"A"

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|---|-----------|---|
| Unsecured | Devon Thomas | | 21 Oakdale Avenue St. Catharines ON L2P 2B8 |
| | Don Bacon | | 11 Pine Street Welland ON L3C 4G2 |
| | Don Olm | | 7 Elmvale Court Port Colborne ON L3K 5Z4 |
| | Eaton Steel Corporation | | P.O. Box 673263 Detroit MI 48267 US |
| | Eddy Poulin | | 1066 ON Road Welland ON L3B 5E4 |
| | Embree Industries Ltd | | 151 Birge Street Hamilton ON L8L 7V4 |
| | Gerrie Electric Wholesale Ltd | | 4104 South Service Rd. Burlington ON L7L 4X5 |
| | Gilles Bisson | | 238 Schofield Ave South Welland ON L3B 1N7 |
| | Green Flag Metals | | 25000 Centre Ridge Road Westlake OH 44145 USA |
| | Greenside Landscaping & Lawn Services Inc. | | 800 Richard Drive Port Colborne ON L3K 5V3 |
| | Guy Bisson | | 22 Hellems Ave, Upper Welland ON L3B 3A7 |
| | HANNAH SONNENBERG | | 435 McAlpine Avenue North Welland ON L3B 1T4 |
| | Iafrate Machine Works Ltd | | 1150 Beaverdams Road, P.O. Box 53 Thorold ON L2V 3Y7 |
| | JANE WASIELEWSKI | | 2827 Olden Avenue Niagara Falls ON L2J 4A2 |
| | Jim Farrell | | 4016 Martin Road Vineland ON L0R 2E0 |
| | John Edwards | | 235 Niagara Falls Road Thorold ON L2V 1J1 |
| | John Gurnick | | 122 Green Pointe Drive Welland ON L3C 6Y6 |
| | JOHN SINCLAIR | | 4685 Inverness Court Niagara Falls ON L2H 3B1 |
| | Jordan House | | 3603 Elm Street, PO Box 939 Ridgeway ON L0S 1N0 |
| | KEL Tooling Inc | | 472 River Road Welland ON L3B 0A2 |
| | Keven Dupre | | 15 Edith Street St. Catharines ON L2S 2P6 |
| | Lawrence's Lawn Care | | 1353 Balfour Avenue Fenwick ON L0S 1C0 |
| | Lorne Walsh | | 64 Steele Street Port Colborne ON L2K 4X2 |
| | Lou Crispo | | 103 Riverview Blvd. St. Catharines ON L2T 3M3 |
| | Marc Plamondon | | 80 Colborne Street Welland ON L3B 3P1 |

Creditor Mailing List

"A"

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|--|-----------|---|
| Unsecured | Michael Beuparlant | | 343 McAlpine Ave South Welland ON L3B 1V3 |
| | Michael Bosse | | 21 Cartier Court Welland ON L3B 1A3 |
| | Michael Horvath | | 105 Elgin Street Port Colborne ON L3K 3K1 |
| | Mike Arnold | | 26 Barron Street Welland ON L3C 2K5 |
| | Mike McAninch | | 17 Royal Road Port Colborne ON L3K 5X6 |
| | MSC Industrial Supply ULC | | PO Box 15805, Stn A Toronto ON M5W 1C1 |
| | Nathan Lutomski | | 29 Admiral Road St. Catharines ON L2P 1G6 |
| | Pat Lasovich | | 60 Eastwood Drive Welland ON L3C 6W2 |
| | PAUL BROUSSEAU | | 51 Woodington Place Welland ON L3C 2J1 |
| | Paul Burger | | 149 Rice Rd Welland ON L3C 2V7 |
| | PDS Consulting | | 50 Ghent Street St. Catharines ON L2N 2C7 |
| | Perlow Steel | | 2900 S 25th Avenue Broadview IL 60155 US |
| | Peter Moar | | 25 Greenwood Avenue Welland ON L3C 4B1 |
| | Peter Ott | | 284 Helen Street Crystal Beach ON L0S 1B0 |
| | Pro-Lift Machinery | | 1777 Allanport Road R.R. 1 Port Robinson ON L0S 1K0 |
| | PVM Hydraulics | | 115 Cushman Road, Unit 61-63 St. Catharines ON L2M 6S9 |
| | Richard Gemus | | 11 Plymouth Avenue St. Catharines ON L2R 2X8 |
| | Right Machine Industrial | | 127 Vine Street St. Catharines ON L2R 3Y3 |
| | Robert Ballantyne | | 120 Borden Avenue Port Colborne ON L3K 3Z7 |
| | Roland Bilodeau | | 4406 Brookfield Road Welland ON L3B 5N7 |
| | Ryan Logan | | 3744 Gunning Drive Niagara Falls ON L2G 6L4 |
| | SANDRO ALBANO | | 77 Empress Avenue Welland ON L3B 1K8 |
| | SDI Steel Dynamics Bar Products Division | | 8000 North County Rd. 225 E Pittsboro IN 46167 US |
| | Spectrum Abrasives Limited | | 3687 Nashua Drive Mississauga ON L4V 1V5 |
| | STEPHEN COLE | | 6344 Cherrywood Road Niagara Falls ON L2E 5K8 |

Creditor Mailing List

"A"

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

| Creditor Type | Name | Attention | Address |
|---------------|-------------------------------------|-------------|---|
| Unsecured | Superior Propane | | PO Box 4568, Stn A Toronto ON M5W 0J5 |
| | SUSAN FARNSWORTH | | 212-242 Oakdale Avenue St. Catharines ON L2P 3K5 |
| | Trent Barrick | | 31643 Dixie Road Wainfleet ON L0S 1V0 |
| | Triangle Die & Tool Co Ltd | | 604 Welland Avenue St. Catharines ON L2M 5V6 |
| | Tru-Can Management Inc | | 27-200 Fitch Street, Suite 229 Welland ON L3C 4V9 |
| | Turbopro Inc. | | 1284 Townline Road Alden NY 14004 USA |
| | Wainfleet Box & Pallet | | 2232 Ramey Road Port Colborne ON L3K 5V5 |
| | Welland Hydro-Electric System Corp. | Perry Orosz | 950 East Main Street PO Box 280 Welland ON L3B 5P6 Fax: (905) 732-0123 porosz@wellandhydro.com |
| | Wyatt Barrick | | 31643 Dixie Road Wainfleet ON L0S 1V0 |
| | Zakary Godard | | 14 Esther Crescent Welland ON L3B 0E9 |

This is Exhibit "B" referred to in the affidavit of mailing of the Notice of Hearing of Application for Court Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 18th day of Jan, 2021



A Commissioner for taking Affidavits

Peter Naumis, a Commissioner, etc., Province of Ontario, for BDO Canada LLP, and BDO Canada Limited, and their subsidiaries, associates and affiliates.
Expires April 13, 2021.



Tel: 905 615 8787
Fax: 905 615 1333
www.bdo.ca

BDO Canada Limited
1 City Centre Drive, Suite 1040
Mississauga ON L5B 1M2 Canada

"B"

District of: Ontario
Division No. 09 - Toronto
Court No. 32-2683371
Estate No. 32-2683371

FORM 40.1
Notice of Hearing of Application for Court Approval of Proposal
(Paragraph 58(b) of the Act)

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

In Ontario Superior Court of Justice in Bankruptcy.

In the matter of the proposal of Welland Forge Corp., a debtor.

Take notice that an application will be made to the court, via Zoom, on the 12th day of February 2021, at 11:00 AM, to approve the proposal of Welland Forge Corp., accepted by the creditors at a meeting held on the 17th day of December 2020.

The Zoom details are as follows:

<https://millterthomson.zoom.us/j/93320580504?pwd=ZlhMTGpaWXY1VVR0OHZ4dzhSUVUwdz09>
Meeting ID: 933 2058 0504
Passcode: 025216

Dated at the City of Mississauga in the Province of Ontario, this 12th day of January 2021.

BDO Canada Limited / BDO Canada Limitée - Licensed Insolvency Trustee

1 City Centre Drive, Suite 1040
Mississauga ON L5B 1M2
Phone: (905) 615-8787 Fax: (905) 615-1333

This is Exhibit "C" referred to in the affidavit of mailing of the Notice of Hearing of Application for Court Approval of Proposal of Franca Iannilli

SWORN BEFORE ME this 18th day of Jan, 2021



A Commissioner for taking Affidavits

Peter Naumic, a Commissioner, etc., Province of Ontario, for BDO Canada LLP, and BDO Canada Limited, and their subsidiaries, associates and affiliates.
Expires April 13, 2021.

District of ONTARIO
Division No. 09 Toronto
Court No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF MAILING OF NOTICE OF HEARING
OF APPLICATION FOR COURT APPROVAL OF
PROPOSAL

BDO CANADA LIMITED
Licensed Insolvency Trustee
1 City Centre Drive
Suite 1040
Mississauga, Ontario
L5B 1M2

Tel: (905) 615-8787
Fax: (905) 615-1333

APPENDIX VII

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

STATEMENT OF PROJECTED CASH-FLOW
FOR THE PERIOD ENDING FEBRUARY 27, 2021

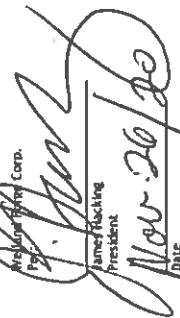
28-Nov-20 5-Dec-20 17-Oct-20 19-Sep-20 26-Dec-20 2-Jan-21 9-Jan-21 16-Jan-21 23-Jan-21 30-Jan-21 6-Feb-21 13-Feb-21 20-Feb-21 27-Feb-21

| | 28-Nov-20 | 5-Dec-20 | 17-Oct-20 | 19-Sep-20 | 26-Dec-20 | 2-Jan-21 | 9-Jan-21 | 16-Jan-21 | 23-Jan-21 | 30-Jan-21 | 6-Feb-21 | 13-Feb-21 | 20-Feb-21 | 27-Feb-21 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| RECEIPTS | | | | | | | | | | | | | | |
| Accounts receivable collections (CDR) | \$ 118,238 | \$ 7,492 | \$ 10,000 | \$ 8,073 | \$ 171,643 | \$ 145,084 | \$ 40,153 | \$ - | \$ - | \$ 5,350 | \$ 5,350 | \$ 5,350 | \$ 5,350 | \$ 5,350 |
| Accounts receivable collections (USD) | 233,773 | 124,297 | 145,441 | 60,512 | 101,721 | 13,509 | 256,103 | 83,565 | 141,974 | 16,129 | 16,129 | 16,129 | 16,129 | 16,129 |
| HST refund | - | - | - | 5,000 | - | - | - | - | - | - | - | - | - | - |
| Sale of miscellaneous inventory | 99,000 | - | 20,000 | 40,000 | 40,000 | 20,000 | 20,000 | 33,000 | - | - | - | - | - | - |
| Sale of equipment | - | 200,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Government Grants (CEWS/Duty) | - | - | 50,000 | - | - | - | - | - | - | - | - | - | - | - |
| | 451,011 | 331,789 | 225,441 | 113,585 | 313,364 | 178,593 | 316,256 | 116,565 | 141,974 | 21,479 | 21,479 | 21,479 | 21,479 | 21,479 |
| DISBURSEMENTS | | | | | | | | | | | | | | |
| Legal fees | 22,600 | - | - | - | 22,600 | - | - | - | - | 22,600 | - | - | - | - |
| Professional fees (Proposal Trustee and counsel) | 84,750 | 84,750 | - | - | 3,750 | 3,750 | 56,500 | - | - | 3,750 | 3,750 | 3,750 | 3,750 | 3,750 |
| Transportation | 3,750 | 3,750 | 3,750 | 3,750 | 1,000 | 1,000 | 3,750 | 3,750 | 3,750 | 1,000 | 1,000 | 3,750 | 3,750 | 3,750 |
| Customs Duties | 1,000 | - | - | - | 5,000 | 5,000 | 1,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Utilities (Gas, Hydro, Water) | 5,000 | 5,000 | - | - | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Salaries and Wages | 28,000 | 28,000 | - | - | 30,204 | 30,204 | 32,746 | 32,746 | 32,746 | 32,746 | 32,746 | 32,746 | 32,746 | 32,746 |
| Group Benefits (Manulife) | 2,848 | 2,848 | - | - | 2,848 | 2,848 | 1,898 | 1,898 | 1,898 | 1,898 | 1,898 | 1,898 | 1,898 | 1,898 |
| Temp Labour | 2,848 | 2,848 | - | - | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 | 2,848 |
| Sales Commission | 3,000 | 3,000 | - | - | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| IT/Communication | 2,000 | 2,000 | - | - | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Security | 92,060 | 92,060 | - | - | 18,000 | 18,000 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 | 17,200 |
| Other Site Remediation | 5,000 | 5,000 | - | - | 9,800 | 9,800 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Miscellaneous | 5,650 | 5,650 | - | - | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 |
| Proposal settlement | 134,908 | 124,548 | 9,598 | 61,803 | 98,648 | 63,148 | 67,148 | 54,496 | 3,750 | 65,200 | 3,750 | 975,150 | 19,149 | 38,300 |
| | 316,103 | 207,441 | 215,843 | 51,783 | 214,716 | 171,995 | 254,108 | 62,069 | 138,224 | (43,721) | 17,779 | (93,771) | 2,330 | (16,721) |
| PROJECTED WEEKLY CASH FLOW | | | | | | | | | | | | | | |
| CASH BALANCE | \$ 1,034,453 | \$ 1,350,556 | \$ 1,557,897 | \$ 1,773,840 | \$ 1,825,624 | \$ 1,825,624 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 |
| Opening Position per --- Books | \$ 1,034,453 | \$ 1,350,556 | \$ 1,557,897 | \$ 1,773,840 | \$ 1,825,624 | \$ 1,825,624 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 | \$ 2,312,334 |
| Ending Position per --- Books | \$ 1,350,556 | \$ 1,957,997 | \$ 1,773,840 | \$ 1,773,840 | \$ 2,040,340 | \$ 2,040,340 | \$ 2,712,334 | \$ 2,466,442 | \$ 2,666,735 | \$ 2,666,735 | \$ 2,666,735 | \$ 2,666,735 | \$ 2,666,735 | \$ 2,666,735 |

BDO CANADA LIMITED
Per:


Peter Naumis, B. Comm., CRFP, CIT
Vice President

Nov. 26/20
Date


James Mackling
President
Nov. 26/20
Date

This statement of projected cash-flow for Welland Forge Corp. has been prepared in accordance with section 50(6) of the Bankruptcy and Insolvency Act, and should be read in conjunction with Trustee's Report on Cash-Flow, dated November 26, 2020.

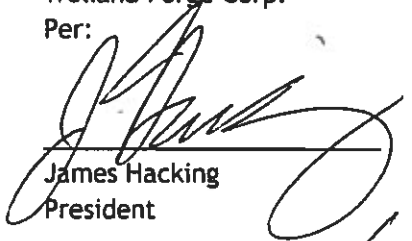
IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.

NOTES AND ASSUMPTIONS TO
THE STATEMENT OF PROJECTED CASH-FLOW

1. This projected cash-flow statement has been prepared for the purposes of filing a proposal pursuant to Part III of the Bankruptcy and Insolvency Act.
2. The projected cash-flow statement has been prepared by management of the insolvent person.
3. Disbursements are managements estimates based on historical information.
4. Management continues to sell the remaining finished goods on the premises. Accounts receivable collections are managements projections based on historical information.
5. All USD accounts receivable reported on the cash flow have been converted to Canadian currency, for consistency and reporting purposes, using the Bank of Canada closing foreign exchange rate of \$1 USD to \$1.3164 CAD, as at October 27, 2020, the date of the NOI filing. There are no USD disbursements.

Welland Forge Corp.

Per:



James Hacking
President

Nov. 26/20

Date

BDO CANADA LIMITED

Per:



Peter Naumis, B. Comm., CIRP, LIT
Vice President

Nov. 26/ 20

Date

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

Report on Cash-flow Statement by the Company Making the Proposal

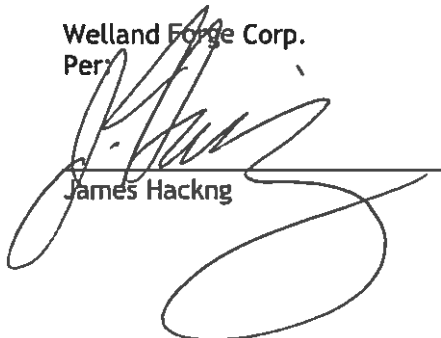
Welland Forge Corp. (the "Company") has developed the assumptions and prepared the attached statement of projected cash-flow of the insolvent person, as of the 26th day of November, 2020, consisting of the Statement of Projected Cash-Flow and Notes and Assumptions to the Statement of Projected Cash-Flow.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note 1, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions have been disclosed in Notes 2 - 5.

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

The projection has been prepared solely for the creditors of the Company for the purpose described in Note 1, using a set of probable and hypothetical assumptions set out in Notes 2 - 5. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Kitchener, Ontario, this 26th of November, 2020.

Welland Forge Corp.
Per: 
James Hackng

APPENDIX VIII

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGARA,
IN THE PROVINCE OF ONTARIO.**

Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) of the Act)

The attached statement of projected cash-flow of Welland Forge Corp. (the "Company"), as of the 26th day of November, 2020, consisting of an unaudited monthly cash flow statement, has been prepared by the Company for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Note 2 - 5.

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

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

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

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


The projection has been prepared solely for the creditors of the insolvent person for the purpose described in Note 1, and readers are cautioned that it may not be appropriate for other purposes.

Dated at Mississauga, Ontario, this 26th of November, 2020.

BDO CANADA LIMITED

Trustee

Per:



Peter Naumis, B. Comm., CIRP, LIT
Vice President

APPENDIX IX

Province of Ontario
Division No. 07 - Hamilton
Court No. 32-2683371
Estate No. 32-2683371

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGRA,
IN THE PROVINCE OF ONTARIO.

MINUTES OF THE FIRST MEETING OF CREDITORS

MINUTES OF THE FIRST MEETING OF CREDITORS OF WELLAND FORGE CORP. (the "Company"), an insolvent person, held on the 17th day of December, 2020, at approximately 10:00 a.m. held via teleconference and pursuant to COVID-19 protocol.

P R E S E N T: (see attached attendance list "A")

Vince Siciliano announced that he was acting as Chairperson under the authority of Section 51(3) of the Bankruptcy and Insolvency Act. As the Chairman opened the meeting it became apparent there was a technical issue with the conference call in details provided in the Trustee's Notice of Proposal to Creditors. The Trustee and Company representative were in attendance, however, the Trustee immediately received email notification from the Trustee's counsel and the representative from Unifor - Local 199 ("Unifor"), proxy for approximately 44 former employees of the Company, advising they were unable to dial in. At the time of the meeting no other creditor contacted the Trustee expressing their inability to attend the meeting. The Trustee called Unifor and connected the representative into the meeting.

Prior to the meeting the Trustee received and admitted 69 proven claims. All but three (3) included a voting letter (per votes below). One of the non-voting trade creditors, provided its proxy to the Trustee. The Chairman delayed the meeting for an additional 15 minutes to ensure no other creditors communicated their inability to join the meeting. Having received no other enquiries or proof of claims, the Chairman proceeded with the first meeting of creditors.

The Chairperson declared the meeting properly called and there being a quorum present it was duly constituted. The Chairman explained that the purpose of the meeting was to consider the Proposal filed by the Company and vote on its acceptance or non-acceptance.

The following documents were tabled:

- Affidavit of Mailing of Notice to the Creditors
- Trustee's Report to the Creditors
- Proposal
- Proof of Claims

The Chairman advised the meeting of the consequence of non-approval and explained the special resolution that requires a majority in number and two-thirds in value of creditors with proven claims present or by proxy or voting letter.

The Chairman opened the floor for questions. Unifor's only question was the timing of court approval and dividend distribution to its 44 members. The Chairman informed the meeting on its estimated timing.

There being no further questions, the Chairman asked for a motion to approve the Proposal. The votes, by letter, were submitted as follows:

Class I - FORMER EMPLOYEES: Unionized and Non-Unionized

| | # OF CREDITORS | TOTALLING |
|---------|----------------|-----------------|
| FOR | 51 | \$ 1,746,996.48 |
| AGAINST | 0 | \$ - |

| | % OF CREDITORS | % OF DOLLARS |
|---------|----------------|--------------|
| FOR | 100% | 100% |
| AGAINST | 0% | 0% |

Class II - TRADE CREDITORS

| | # OF CREDITORS | TOTALLING |
|---------|----------------|---------------|
| FOR | 14 | \$ 352,024.78 |
| AGAINST | 1 | \$ 4,810.71 |

| | % OF CREDITORS | % OF DOLLARS |
|---------|----------------|--------------|
| FOR | 93.33% | 98.65% |
| AGAINST | 6.67% | 1.35% |

RESOLVED: The required majority of Ordinary Creditors approve the Proposal as filed and attached to these minutes as "B"; and

RESOLVED: That the inspector of the proposal administration be:

Shawn Parnham
 530 Manitou Drive
 Kitchener, Ontario
 N2C 1L3
 Ph: (519) 895-4107
 Email: sparnham@imtcorporation.com

There being no further business, the meeting adjourned.



Chairman

ATTENDANCE LIST –FIRST MEETING OF CREDITORS

ESTATE OF: Welland Forge Corp.

DATE: December 17, 2020

FILE NO: 32-2683371

| | Name (print) | Representing | Amount of Claim | Remarks |
|---|---|---------------------------|-----------------|--|
|  | Vince Siciliano | Trustee | | |
|  | Peter Naumis | Trustee | | |
| | | | | |
| Attended via teleconference | Shawn Parnham | Director | | |
| | | | | |
| Attended via teleconference | Doug Orr – Unifor Local 199 – proxy for union members | 44 Union member employees | \$1,365,112.49 | Attended via voting letter “FOR” and teleconference |
| | Alton Steel Inc. | Creditor | 109,504.44 | Attended via voting letter “FOR” |
| | ArcelorMittal Long Products Canada | Creditor | 91,209.78 | Attended via voting letter “FOR” |
| | BDI Canada Inc. | Creditor | 557.36 | Attended via voting letter “FOR” |
| | CMM Services Inc. | Creditor | 1,158.25 | Attended via voting letter “FOR” and proxy for Trustee |
| | Cotton Environmental Inc. | Creditor | 362.73 | Attended via voting letter “FOR” |
| | Eaton Steel Corporation | Creditor | 28,295.16 | Attended via voting letter “FOR” |
| | MSC Industrial Supply ULC | Creditor | 4,014.52 | Attended via voting letter “FOR” and proxy for Trustee |
| | PDS Consulting | Creditor | 15,901.45 | Attended via voting letter “FOR” |
| | Pro-Lift Machinery | Creditor | 31,966.86 | Attended via voting letter “FOR” and proxy for Trustee |
| | PVM Hydraulics | Creditor | 2,828.24 | Attended via voting letter “FOR” |
| | SDI Steel Dynamics Bar | Creditor | 36,366.23 | Attended via voting letter “FOR” |

| | | | | | |
|--|--|------------------------------------|-----------------|------------------|---|
| | | Spectrum Abrasives Limited | Creditor | 7,332.77 | Attended via voting letter “FOR” |
| | | Superior Propane | Creditor | 4,810.71 | Attended via voting letter “AGAINST” |
| | | Tru-Can Management Inc. | Creditor | 20,701.25 | Attended via voting letter “FOR” |
| | | Turbopro Inc. | Creditor | 1,825.74 | Attended via voting letter “FOR” and proxy for Trustee |
| | | Triangle Die & Tool Co. | Creditor | 42,572.75 | Attended via proxy for Trustee |
| | | | | | |
| | | Sandro Albano | Creditor | 11,960 | Attended via voting letter “FOR” |
| | | Beverly Bolduc | Creditor | 63,520 | Attended via voting letter “FOR” |
| | | Paul Brosseau | Creditor | 82,004 | Attended via voting letter “FOR” |
| | | Stephen Cole | Creditor | 68,496 | Attended via voting letter “FOR” |
| | | John Sinclair | Creditor | 42,588 | Attended via voting letter “FOR” |
| | | Hannah Sonnenberg | Creditor | 9,156 | Attended via voting letter “FOR” |
| | | Jane Wasielewski | Creditor | 104,160 | Attended via voting letter “FOR” |
| | | | | | |
| | | | | | |
| | | | | | |

NUMBER OF CLAIMS FILED

69

NUMBER OF PROXIES FILED (*for Trustee*)

5

AMOUNT \$81,538.12

QUORUM / NO QUORUM

Quorum

District of Ontario
Division No. 07 - Hamilton
Estate No. 32-2683371
Court No. 32-2683371

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

**IN THE MATTER OF THE PROPOSAL OF
WELLAND FORGE CORP.
OF THE CITY OF WELLAND,
IN THE REGIONAL MUNICIPALITY OF NIAGRA,
IN THE PROVINCE OF ONTARIO.**

**PROPOSAL
(under section 50 of the *Bankruptcy and Insolvency Act*)**

WELLAND FORGE CORP. (hereinafter called the "Company") hereby submits the following Proposal (hereinafter referred to as the "Proposal") under the *Bankruptcy and Insolvency Act* to all of its creditors.

DEFINITIONS

1. For the purposes of this Proposal, the following terms shall have the following meaning:
 - (i) "Act" means the *Bankruptcy and Insolvency Act*;
 - (ii) "Administrative Fees and Expenses" means the fees and expenses incurred by or on behalf of the Trustee, as more particularly described in paragraph 19 of this Proposal;
 - (iii) "Court" means the Ontario Superior Court of Justice in Bankruptcy and Insolvency;
 - (iv) "Company" means Welland Forge Corp.;
 - (v) "Court Approval Date" means the date on which the Court issues an Order approving this Proposal pursuant to the provisions of the Act, all appeal periods having expired and no appeal therefrom having been dismissed and such dismissal having become final;
 - (vi) "Date of Filing" means the 27th day of October, 2020, being the date on which the Notice of Intention to Make a Proposal was filed with the Official Receiver in accordance with the Act ;
 - (vii) "Director" means James Hacking, a resident of Cambridge, Ontario;



- (viii) **“Former Employee”** means an individual who was an employee of the Company and whose employment with the Company was terminated by the Company prior to the Date of Filing;
- (ix) **“Former Employee Claim”** means the claim, if any, of a Former Employee arising from that Former Employee’s termination by the Company, inclusive of wages, vacation pay and pay in lieu of reasonable notice, including, without limitation, any severance, vacation pay, bonuses, commissions, pension contributions, medical or other insurance coverage;
- (x) **“Inspectors”** means the person(s) appointed or elected as inspectors under and pursuant to the Act, in respect of the Proposal;
- (xi) **“Ordinary Creditors”** means those persons with unsecured claims as at the Date of Filing, including contingent or unliquidated claims arising out of any transaction entered into prior to the Date of Filing, which are proven in accordance with the Act and which are not secured or preferred under or pursuant to the Act;
- (xii) **“Pension Plan”** means the defined contribution registered pension plan for which the Company is both the sponsor and administrator of, bearing policy number 55668 and registration number 0577734.
- (xiii) **“Preferred Creditors”** means those creditors of the Company whose claims are entitled to be paid in priority to the claims of Ordinary Creditors as provided under section 136 of the Act;
- (xiv) **“Secured Creditors”** means those creditors of the Company who hold valid and enforceable mortgages, charges, liens, security interests and other encumbrances against any of the property or assets of the Company;
- (xv) **“Trustee”** means BDO Canada Limited or its duly appointed successor; and
- (xvi) **“WEPPA”** means the *Wage Earner Protection Program Act*.

GENERAL INTENT

2. The purpose of this Proposal is to effect an orderly wind down of the Company, working co-operatively with the Trustee, with the expectation that all creditors will derive a greater benefit than would result from a bankruptcy of the Company.
3. This Proposal winds down the affairs of the Company and amends the terms of any and all agreements between the Company and the creditors existing as at the Court Approval Date and provides the essential terms on which all claims will be fully and



finally resolved and settled. During the term of this Proposal, and provided that an event of default has not occurred and is continuing hereunder, all creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a claim including, without limitation, any proceeding or remedy to recover payment of any monies owing to creditors, to recover or enforce any judgment against the Company in respect of a claim or to commence any formal proceedings against the Company other than as provided for under this Proposal.

4. This Proposal will, as of the Court Approval Date, be binding on the Company and all creditors.

CANADA REVENUE AGENCY

5. All amounts owing to Canada Revenue Agency that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* or under any substantially similar provision of provincial legislation, that were outstanding at the Date of Filing, shall be paid in full within 6 months after the Court Approval Date.

PRESCRIBED PENSION PLAN

6. Pursuant to section 60(1.5) of the *Bankruptcy and Insolvency Act* ("BIA"), amounts owing for unremitted employee contributions and unpaid employer contributions owing under the Pension Plan at the Date of Filing, if any, shall be paid in full in priority to the claims of the Former Employees and Ordinary Creditors.

SECURED CREDITORS

7. The claims of Secured Creditors, if any, will be paid in accordance with present arrangements existing between the Company and the holders of such secured claims or as may be mutually arranged between the Company and the holders of secured claims, or the holders of secured claims shall be permitted to realize upon their security. For certainty, this Proposal is not made to the Secured Creditors and, notwithstanding anything to the contrary in this Proposal, the claims, security interests, rights and other entitlements of the Secured Creditors shall be unaffected in all respects by this Proposal. However, this Proposal is being made on the basis that any claims of the Secured Creditors will not be paid from the proceeds of the Proposal.

PREFERRED CREDITORS

8. The claims of Preferred Creditors, if any, shall be without interest, in priority to the claims of Ordinary Creditors in accordance with section 136 of the Act.



FORMER EMPLOYEES

9. Former Employees with Former Employee Claims shall constitute their own class of creditors for the purpose of voting on this Proposal.
10. The Company has estimated the claims of each of the Former Employees with a Former Employee Claim, attached as Schedule "A" to this Proposal. In order to determine the amount of each Former Employee Claim, Former Employees are entitled to file a proof of claim in any amount they feel they are entitled to with supporting documentation in accordance with the instructions provided by the Proposal Trustee. For simplicity:
 - a. any Former Employee Claim of a Former Employee made in accordance with the amount set out in Schedule "A" for that Former Employee or in an amount that is less than the amount set out in Schedule "A", for that Former Employee, will be admitted by the Proposal Trustee in the amount of the claim made by the said Former Employee; and
 - b. any Former Employee Claim of a Former Employee made in an amount greater than the amount set out in Schedule "A", for that Former Employee, will be reviewed by the Proposal Trustee and the amount by which the Former Employee Claim of the said Former Employee exceeds the amount set out in Schedule "A" for that Former Employee may be allowed or disallowed, in part or in whole, by the Proposal Trustee.
11. Former Employees are entitled to receive a distribution equal to the sum of (i) the Former Employee's maximum entitlement under WEPPA, net of the legislative prescribed reduction of 6.82%; plus (ii) 20% of:
 - the net amount of the Former Employee's proven Former Employee Claim less amounts received under (i) above.

The Company shall cause these amounts to be paid to the Trustee within 10 days of the Court Approval Date.

ORDINARY CREDITORS

12. The claims of Ordinary Creditors shall be paid from the funds received pursuant to paragraph 13 of this Proposal, after the payment of the Administrative Fees and Expenses under paragraph 19 of this Proposal, the claims of Preferred Creditors under paragraph 8 of this Proposal, any amount owing to Canada Revenue Agency under paragraph 5 of this Proposal, any amount owing to the Prescribed Pension Plan under paragraph 6 of this Proposal and the claims of Former Employees under



paragraph 11 of this Proposal. These funds shall be divided pro rata among all the Ordinary Creditors in full and complete satisfaction of their claims.

PROCEEDS UNDER THE PROPOSAL

13. The Company shall pay, or cause to be paid, to the Trustee the following amounts:

- (i) An amount equal to Canada Revenue Agency's claim under paragraph 5 of this Proposal, if any. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (ii) An amount equal to the priority payable to the Pension Plan under paragraph 6 of this Proposal. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (iii) An amount equal to the dividends required under paragraph 8 and 11. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date;
- (iv) An amount equal to \$150,000 to be divided pro rata among all the Ordinary Creditors under paragraph 12, in full and complete satisfaction of their claims. Such amounts shall be paid to the Trustee within 10 days following the Court Approval Date; and
- (v) An amount equal to the Administrative Fees and Expenses.

CLAIMS AGAINST THE DIRECTOR OF THE COMPANY

14. The creditors hereby agree not to pursue any assessments against the Company's Director for claims against the Director of the Company that arose prior to the Date of Filing and that relate to the obligations of the Company where the Director is by law liable in their capacity as Director as for the payment of such obligation.

PREFERENCES AND TRANSFERS AT UNDERVALUE

15. Section 95 through and including section 101 of the Act do not apply to this Proposal.

DISTRIBUTION TO CREDITORS

16. The Trustee shall make the payment of all dividends in accordance with the Act.

17. All distributions under the Proposal shall be issued by the Trustee and notwithstanding any other provisions therefore, any distributions made by the Trustee in respect of any claims pursuant to the terms hereof shall be made net of the Superintendent's Levy required to be made, pursuant to Section 147 and 60(4) of the Act.



INSPECTORS

18. The creditors may appoint one or more, but not more than five, inspectors under this Proposal whose powers shall be restricted to advising the Trustee in matters that may be referred to them by the Trustee.

ADMINISTRATIVE FEES AND EXPENSES

19. All the fees, expenses and disbursements of the Trustee in and incidental to the proceedings arising out of the Proposal, including the Trustee’s legal fees and disbursements, shall be paid in priority to all claims and shall be a first charge on all payments made by the Company under this Proposal. The Trustee may take interim draws from funds paid under paragraph 13 for its administrative fees and expenses as necessary, based on actual time and charges at normal billing rates plus applicable taxes. All draws are subject to final taxation by the Court.


20. Amounts stated with respect to professional fees in this Proposal or any documents relating to it including the reports of the Trustee and the Statement of Estimated Realization, are estimates only, and will not restrict the Trustee or the Trustee’s legal counsel from invoicing, taxing, and being paid all of their reasonable fees and charges based upon actual time at normal billable rates. The Trustee’s expenses and disbursements include all filing, court and counselling fees, all applicable taxes, and all legal fees or extraordinary costs incidental to the Trustee’s administration of this Proposal. Such amounts may be reimbursed to the Trustee at any time.

BDO CANADA LIMITED

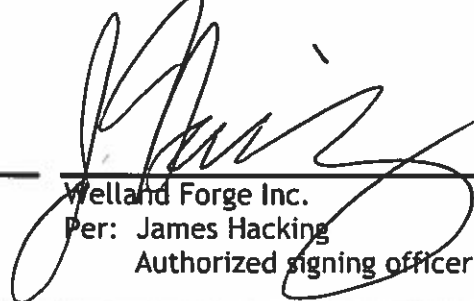
21. BDO Canada Limited shall be the Trustee under this Proposal. The Trustee is acting in its capacity as Trustee under this Proposal and not in its personal capacity and shall not be responsible or liable for any obligations of the Company.

22. Upon payment of the dividends provided for in this Proposal, the Trustee will be entitled to be discharged from its obligations under the terms of this Proposal.

Dated at Kitchener, Ontario this 26th day of November, 2020



Witness



Welland Forge Inc.
Per: James Hacking
Authorized signing officer

Schedule "A"

| Employee | ESA Payments | Collective Agreement Severance | Common Law Entitlement | Proposed Claim Amount |
|---------------------|---------------------|---------------------------------------|-------------------------------|------------------------------|
| ARNOLD MIKE | \$8,224.00 | \$24,024.36 | | \$32,248.36 |
| BACON DON | \$8,588.80 | \$31,129.03 | | \$39,717.83 |
| BALLANTYNE ROBERT | \$9,296.00 | \$17,430.00 | | \$26,726.00 |
| BARRICK TRENT | \$8,224.00 | \$3,207.36 | | \$11,431.36 |
| BARRICK WYATT | \$8,224.00 | \$3,207.36 | | \$11,431.36 |
| BEUPARLANT MICHAEL | \$8,108.80 | \$32,947.07 | | \$41,055.87 |
| BILODEAU ROLAND | \$9,296.00 | \$6,239.94 | | \$15,535.94 |
| BISSON GILLES JR | \$8,588.80 | \$35,557.63 | | \$44,146.43 |
| BISSON GUY | \$8,006.40 | \$26,271.00 | | \$34,277.40 |
| BOSSE MICHAEL | \$9,552.00 | \$29,855.97 | | \$39,407.97 |
| BURGER PAUL | \$9,296.00 | \$2,753.94 | | \$12,049.94 |
| CARDO ANTHONY | \$7,833.60 | \$25,586.50 | | \$33,420.10 |
| CRISPO LOU | \$8,108.80 | \$31,426.67 | | \$39,535.47 |
| DESCHAMBEAULT CHRIS | \$8,108.80 | \$35,607.77 | | \$43,716.57 |
| DUPRE KEVEN | \$8,224.00 | \$4,749.36 | | \$12,973.36 |
| EDWARDS JOHN | \$8,224.00 | \$32,505.36 | | \$40,729.36 |
| FARRELL JIM | \$9,696.00 | \$47,122.56 | | \$56,818.56 |
| GEMUS RICHARD | \$7,833.60 | \$26,320.90 | | \$34,154.50 |
| GODARD ZAKARY | \$8,108.80 | \$4,941.30 | | \$13,050.10 |
| GRAY DAVID | \$9,696.00 | \$17,416.44 | | \$27,112.44 |
| GURNICK JOHN | \$8,819.20 | \$38,991.89 | | \$47,811.09 |
| HORVATH MICHAEL | \$9,696.00 | \$4,399.56 | | \$14,095.56 |
| HOUSE JORDAN | \$8,224.00 | \$4,626.00 | | \$12,850.00 |
| JANZEN CHARLES | \$8,848.00 | \$16,307.97 | | \$25,155.97 |
| LASOVICH PAT | \$7,932.80 | \$24,661.09 | | \$32,593.89 |
| LETOURNEAU DAVE | \$7,833.60 | \$8,930.30 | | \$16,763.90 |
| LOGAN RYAN | \$9,696.00 | \$1,054.44 | | \$10,750.44 |
| LUTOMSKI NATHAN | \$8,224.00 | \$2,821.86 | | \$11,045.86 |
| MCALPINE CLAUDE | \$9,696.00 | \$2,127.06 | | \$11,823.06 |
| MCANINCH MIKE | \$8,224.00 | \$19,922.64 | | \$28,146.64 |
| MCDONALD BRAD | \$8,224.00 | \$24,163.14 | | \$32,387.14 |
| MOAR PETER | \$9,296.00 | \$21,351.75 | | \$30,647.75 |
| MOORE BRIAN | \$9,296.00 | \$18,162.06 | | \$27,458.06 |
| OLM DON | \$8,588.80 | \$26,297.83 | | \$34,886.63 |
| OTT PETER | \$7,932.80 | \$69,833.43 | | \$77,766.23 |
| PLAMONDON MARC | \$8,108.80 | \$31,426.67 | | \$39,535.47 |
| POULIN EDDY | \$10,217.60 | \$98,816.96 | | \$109,034.56 |
| PUTZMAN DENNIS | \$7,833.60 | \$13,953.60 | | \$21,787.20 |
| SHAW AUSTIN | \$8,224.00 | \$2,698.50 | | \$10,922.50 |
| STROFFOLINO ANGELO | \$10,240.00 | \$39,686.40 | | \$49,926.40 |
| SUMBLER CHRIS | \$9,696.00 | \$42,577.56 | | \$52,273.56 |
| THOMAS DEVON | \$8,224.00 | \$15,034.50 | | \$23,258.50 |
| WALSH LORNE | \$9,696.00 | \$3,181.50 | | \$12,877.50 |
| WEAVING DARYL | \$8,057.60 | \$13,718.06 | | \$21,775.66 |
| ALBANO SANDRO | \$9,568.00 | | \$2,392.00 | \$11,960.00 |
| BALLANTYNE BILL | \$43,350.00 | | \$58,650.00 | \$102,000.00 |
| BOLDUC BEVERLY | \$26,996.00 | | \$36,524.00 | \$63,520.00 |
| BROUSSEAU PAUL | \$37,974.16 | | \$44,029.84 | \$82,004.00 |
| CABRAL NELSON | \$22,346.88 | | \$22,149.12 | \$44,496.00 |
| COLE STEPHEN | \$29,496.09 | | \$38,999.91 | \$68,496.00 |
| DEAKIN JEFF | \$32,670.66 | | \$40,017.34 | \$72,688.00 |
| FARNSWORTH SUSAN | \$7,048.00 | | \$3,524.00 | \$10,572.00 |
| SINCLAIR JOHN | \$20,702.50 | | \$21,885.50 | \$42,588.00 |
| SONNENBERG HANNAH | \$6,104.00 | | \$3,052.00 | \$9,156.00 |
| SZOLOSI LASZLO | \$22,605.66 | | \$16,538.34 | \$39,144.00 |
| WASIELEWSKI JANE | \$44,268.00 | | \$59,892.00 | \$104,160.00 |
| | \$685,197.15 | \$983,045.29 | \$347,654.05 | \$2,015,896.49 |

TAB 3

District: Ontario
Division No. 07- Hamilton
Court No. 32-2683371
Estate No 32-2683371

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

THE HONOURABLE MR.) FRIDAY, THE 12TH
)
JUSTICE HAINEY) DAY OF FEBRUARY, 2021
)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

**ORDER
(Approving Proposal)**

THIS MOTION, made by BDO Canada Limited, in its capacity as the proposal trustee ("**Proposal Trustee**") of Welland Forge Corp. ("**Welland Forge**") for an order approving the Proposal of Welland Forge Corp., filed with the Proposal Trustee on November 26, 2020 ("**Proposal**"), was heard this day by videoconference due to the COVID-19 pandemic.

ON READING the Second Report of the Proposal Trustee, dated February 5, 2021 ("**Second Report**") and on hearing the submissions of counsel for the Proposal Trustee and Welland Forge, no one else appearing although duly served as appears from the affidavit of service, filed,

SERVICE

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

APPROVAL OF CREDITORS MEETING

2. **THIS COURT ORDERS** that the meeting of the unsecured creditors of Welland Forge and the Proposal Trustee to conduct a vote upon the Proposal be and is hereby approved and sanctioned.

APPROVAL OF PROPOSAL

3. **THIS COURT ORDERS** that the Proposal be and is hereby approved.

AUTHORITY TO IMPLEMENT PROPOSAL

4. **THIS COURT ORDERS** the Proposal Trustee and Welland Forge are each authorized and empowered to do all such things as may be necessary to perform and give effect to the Proposal.

OTHER

5. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.

6. **THIS COURT 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 Proposal Trustee 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 Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**ORDER
(APPROVAL OF PROPOSAL)**

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

David Ward LSO #: 33541W
Tel: 416.595.8625
dward@millerthomson.com

Erin Craddock LSO #: 62828J
Tel: 416.595.8631
ecraddock@millerthomson.com

Lawyers for BDO Canada Limited, in its capacity as Proposal
Trustee of Welland Forge Corp.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
WELLAND FORGE CORP.**

Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

**MOTION RECORD
(RETURNABLE FEBRUARY 12, 2021)**

Miller Thomson LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON M5H 3S1

David Ward LSO #: 33541W
Tel: 416.595.8625
dward@millerthomson.com

Erin Craddock LSO #: 62828J
Tel: 416.595.8631
ecraddock@millerthomson.com

Lawyers for BDO Canada Limited, in its capacity
as Proposal Trustee of Welland Forge Corp.