



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:

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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 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		\$ 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.



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(647)798-9654, Conference ID:3415573.

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



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.

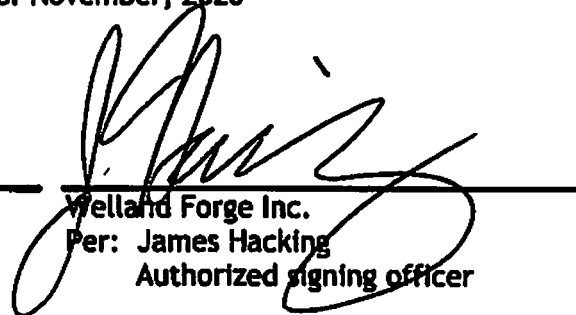
BDO CANADA LIMITED

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	\$24,024.35		\$32,248.35
BACON DON	\$8,588.00	\$31,129.03		\$39,717.03
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
BEAUPARLANT MICHAEL	\$8,108.00	\$32,947.07		\$41,055.07
BLODEAU ROLAND	\$9,296.00	\$6,239.94		\$15,535.94
BISSON GILLES JR	\$8,588.00	\$35,557.63		\$44,145.63
BISSON GUY	\$8,006.40	\$26,271.00		\$34,277.40
BOSSE MICHAEL	\$9,532.00	\$29,655.97		\$39,187.97
BURGER PAUL	\$9,296.00	\$2,753.94		\$12,049.94
CARDO ANTHONY	\$7,833.60	\$25,586.50		\$33,420.10
CRISPO LOU	\$8,108.00	\$31,426.67		\$39,534.67
DESCHAMBEAULT CHRIS	\$8,108.00	\$35,607.77		\$43,715.77
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	\$8,108.00	\$4,941.30		\$13,049.30
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	\$7,932.60	\$24,661.09		\$32,593.69
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
MALPINE CLAUDE	\$9,696.00	\$2,127.06		\$11,823.06
MICANVICH 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	\$8,588.00	\$26,297.83		\$34,885.83
OTT PETER	\$7,932.60	\$69,833.43		\$77,766.23
PLAMONDON MARC	\$8,108.00	\$31,426.67		\$39,534.67
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
SUMNER 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		\$21,685.50	\$42,388.00
SONNENBERG HANNAH	\$6,104.00		\$3,052.00	\$9,156.00
SZOLOSI LASZLO	\$22,605.66		\$16,538.34	\$39,144.00
WASZLEWSKI JANE	\$44,268.00		\$59,892.00	\$104,160.00
	\$485,197.15	\$953,045.29	\$347,854.05	\$2,015,896.49

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

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"	
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	48,280,384.05	Estimated to produce	1,990,000.00
Surplus	NIL	4. Bills of exchange, promissory note, 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	930,250.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRRSPs, RRIFs, Etc 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

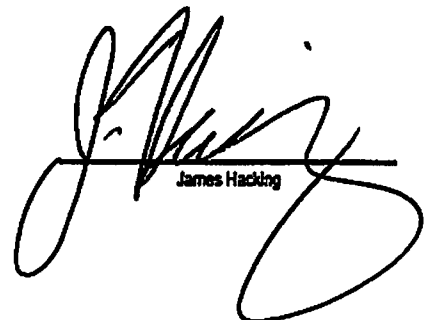
I, James Hacking, of the City of Cambridge in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 27th day of October 2020 and fully disclose all 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

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.

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

FORM 78 - Continued

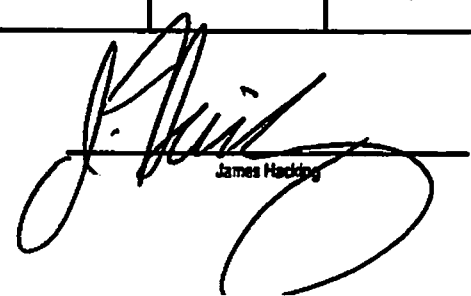
List "A"
 Unsecured Creditors

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 Strofano	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 Dundick Road Unit 5 RR #6 St. Catharines ON L2R 7K6	924.00	0.00	924.00
10	Bardon Supplies Limited Attn: Cardine Ceh	405 Collage St Et, PO Box 1023 Belleville ON K8N 5B8	250.00	0.00	250.00
11	BDI Canada Inc	52 Bramsteale Road, Unit 1 Brampton ON L6W 3L8	551.22	0.00	551.22
12	Beatties Basica 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, 5th B London ON N6A 4G9	1,467.90	0.00	1,467.90
14	BEVERLY BOLDUC	282 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	27,458.08	0.00	27,458.08
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 Dunwin Dr. Unit #5 Mississauga ON L5L 1X2	2,045.00	0.00	2,045.00
22	Cesle Autochem Products	PO Box 884 Ridgeway ON L0S 1N0	537.11	0.00	537.11
23	CDW Canada	185 The West Mall Etobicoke ON M9C 8L5	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 Mackinnon

District of: Ontario
 Division No. 09 - Toronto
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FORM 78 - Continued

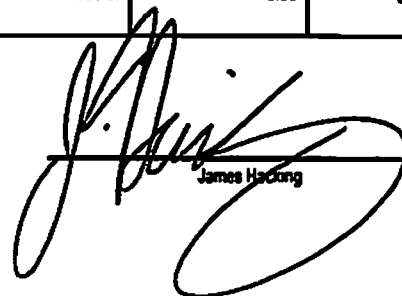
List "A"
 Unsecured Creditors

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	43,716.57	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 Petrose 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 Fruitbill Parkway Niagara Falls ON L2E 6S4	382.73	0.00	382.73
31	CPI Service	c/o Gadlock of Canada Ltd., 1954 10th Ave. NW Medicine Hat AB T1C 1T5	3,852.85	0.00	3,852.85
32	Daryl Weaving	2900 Bellune Avenue Ridgeway ON L0S 1N0	21,775.65	0.00	21,775.65
33	Dave Lebourneau	230 Denison Street, #510 Welland ON L3C 2B4	16,763.90	0.00	16,763.90
34	David Gray	599 Wyldewood Road Sherston ON L0S 1R0	27,112.44	0.00	27,112.44
35	Dennis 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	39,717.83	0.00	39,717.83
38	Don Olin	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 4080, 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	Embres 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 Keala Street Toronto ON M3J 2X6	451.66	0.00	451.66
48	Frontier Equipment	c/o M. Taheda Tools, 85 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
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FORM 78 - Continued

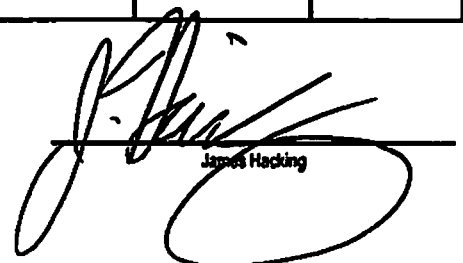
List "A"
 Unsecured Creditors

Welland Forge Corp.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
49	G & J Capital Inc.	530 Manibou 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 Blason	238 Schofield Ave South Welland ON L3B 1N7	44,146.43	0.00	44,146.43
52	Green Flag Metals	25000 Contra 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 Blason	22 Hallens 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	Iakate Machine Works Ltd	P.O. Box 53 Thorold ON L2V 3Y7	10,372.50	0.00	10,372.50
58	IHT Limited Partnership	530 Manibou Drive Kitchener ON N2C 1L3	34,631.32	0.00	34,631.32
59	IMT Partnership	530 Manibou 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 DEAVIN	1094 Victoria Avenue Fenwick ON L0S 1C0	72,688.00	0.00	72,688.00
63	Jim Farrell	4018 Martin Road Vineand 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 Gumick	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 839 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 Cr. Niagara Falls ON L2H 3N6	5,198.00	0.00	5,198.00
70	Keven Dupre	15 Edith Street St. Catharines ON L2S 2P6	12,973.38	0.00	12,973.38
71	LASZLO SZOLOSI	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
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FORM 78 - Continued

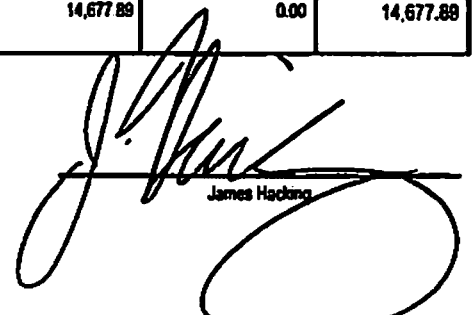
List "A"
 Unsecured Creditors

Welland Forge Corp.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
73	Lorne Walsh	64 Steefe 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 Plamondon	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 60660 US	3,464.49	0.00	3,464.49
78	Medina Supply Inc	9 Petersburg Circa Port Colborne ON L3K 5V5	250.00	0.00	250.00
78	Metal Supermarkets	113 Cushman Road St. Catharines ON L2M 6S9	250.00	0.00	250.00
80	Michael Beaupreant	343 McAlpine Ave South Welland ON L3B 1V3	41,055.87	0.00	41,055.87
81	Michael Bosse	21 Carrier 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	28 Barron Street Welland ON L3C 2K5	32,248.36	0.00	32,248.36
84	Mike McAninch	17 Royal Road Port Colborne ON L3K 5X8	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 Nanoose 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	44,498.00	0.00	44,498.00
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 Lesovich	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
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FORM 78 - Continued

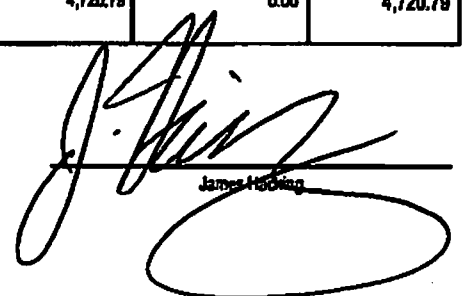
List "A"
 Unsecured Creditors

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	491 Enterprise Drive, R. R. 4 Welland ON L3B 6H8	560.00	0.00	560.00
102	Pro-Lift Machinery	1777 Allensport Road R.R. 1 Port Robinson ON L0S 1K0	31,966.88	0.00	31,966.88
103	Purdlator 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 Genus	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 BaZantyne	120 Borden Avenue Port Colborne ON L3K 3Z7	26,726.00	0.00	26,726.00
108	Roland Blodeau	4408 Brookfield Road Welland ON L3B 5N7	15,535.94	0.00	15,535.94
109	Ross Canada	26 Saunders Road Barrie ON L4N 9A8	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	SDI Steel Dynamics Bar Products Division	8000 North County Rd. 225 E Pittsboro IN 46187 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 44138 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 Harding

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

FORM 78 -- Continued

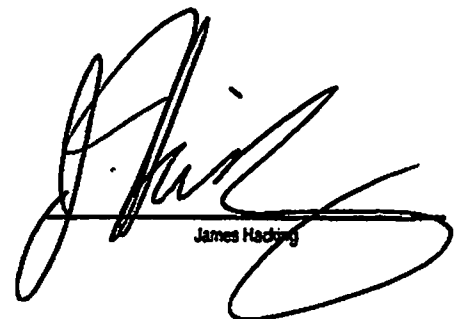
List "A"
 Unsecured Creditors

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	Triang's Die & Tool Co Ltd	604 Welland Avenue St. Catharines ON L2M 5V6	42,572.75	0.00	42,572.75
125	Tro-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 Townline Road Aldon 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 77043 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 Cross	850 East Main Street PO Box 280 Welland ON L3B 5P6	106,284.69	0.00	106,284.69
132	Welland Optical & Hearing	85 Lincoln St. West Welland ON L3C 7C3	250.00	0.00	250.00
133	Westlund Industrial	320-380 Vansickle Road St. Catharines ON L2B 0B5	288.87	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 L5M 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

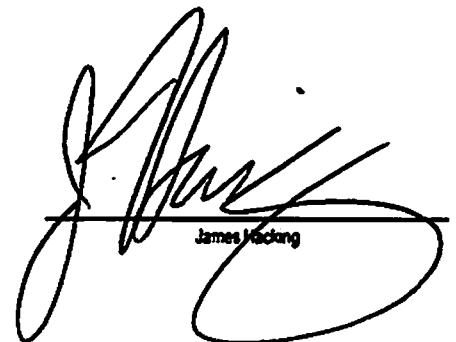
List "B"
 Secured Creditors

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	01-Jan-2018	1,990,000.00		
				Business Assets - Stock In Trade - Finished goods and raw material	01-Jan-2018	1,480,000.00		
				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	20 York Mills Road, Suite 500, Box 700 Grimby 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 Mackay

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

FORM 78 - Continued

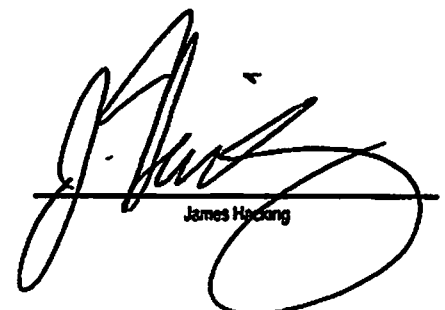
List "C"
Preferred Creditors for Wages, Rent, etc.

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 Hecking

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

FORM 78 – Continued

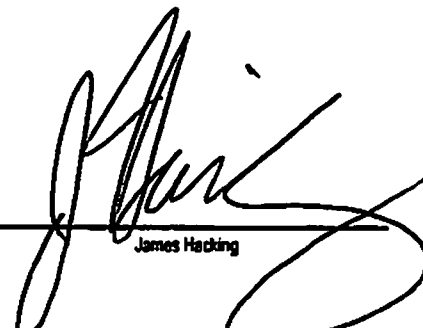
List "D"
 Contingent or Other Liabilities

Walden 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

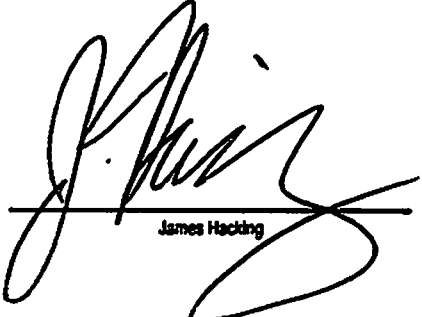
FORM 76 - Continued

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"

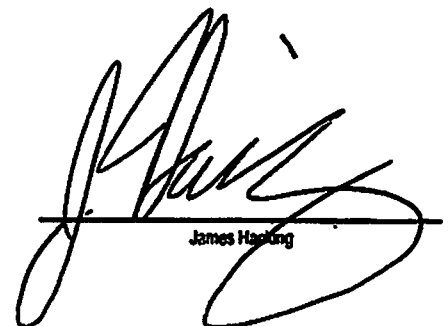
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

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 Harding

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

FORM 78 -- Continued

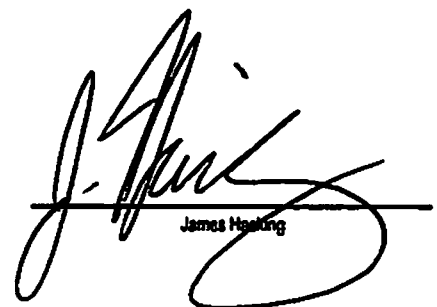
List "G"
Real Property or Immovables Owned by Debtor

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 Hocking

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

FORM 78 - Concluded

List "Y"
 Property

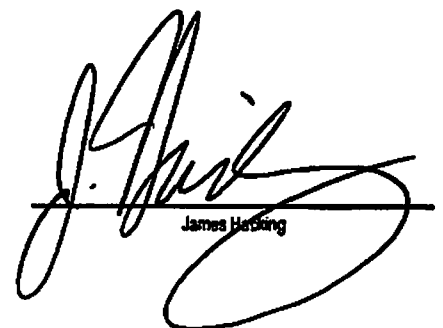
Welland Forge Corp.

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 Macking

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 (BII 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