

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

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C., 1985, C.
B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF CYMI CANADA INC. FILED IN
THE CITY OF OTTAWA, IN THE PROVINCE OF
ONTARIO**

NOTICE OF MOTION
(returnable August 20, 2026 at 10:00 AM)

CYMI Canada Inc. (“**CYMI**”) will make a motion to the Honourable Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on Thursday August 20, 2026 at 10:00 AM.

PROPOSED METHOD OF HEARING: The Motion shall be heard by videoconference via Zoom, using a meeting link to be posted on Case Centre.

THE MOTION IS FOR an order substantially in the form of the draft order located at Tab 3 of CYMI’s Motion Record, including, for the following relief:

Service

1. abridging if necessary the time for service and filing of the notice of motion and the motion record, and validating service of the notice of motion and the motion record, so that this Motion is properly returnable on August 20, 2026, and dispensing with further service thereof;

Stay Extension Plus Approval of Proposal Trustee’s Third Report

2. extending the time for CYMI to file a proposal, and the corresponding stay of proceedings, until and including October 5, 2026;
3. approving the Third Report of the Proposal Trustee and the activities described therein, (the “**Third Report**”);

Directions re Mosaic Transit Group Receivable

4. scheduling an expedited hearing for an order directing Mosaic Transit Group (“**Mosaic**”) to pay holdback funds of approximately \$4.988 million owing to CYMI, including establishing a timetable for the delivery of motion materials, responding materials if any, and the hearing of such motion, and such further directions as may be necessary to facilitate an expedited hearing;

Further Directions re Disclosure of the CYMI-SSLC Agreement

5. approving the disclosure of the CYMI-SSLC agreement to creditors in light of the expiry of the period for SSLC to object to disclosure; and

Other Relief

6. such further and other relief as may be required to advance CYMI’s restructuring and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

A. Background and Initial Proposal Order

7. CYMI is a corporation incorporated under the laws of Ontario with its headquarters located in Toronto, Ontario, and carries on business as an electrical installation and specialty contracting company in the energy, industrial, technology and infrastructure sectors;

8. On May 12, 2026, CYMI filed a notice of intention to make a proposal (the “**NOI**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (“**BIA**”). TDB Restructuring Limited (the “**Proposal Trustee**”) was appointed as Proposal Trustee of CYMI;
9. The NOI proceedings were commenced as a means of stabilizing CYMI’s financial position in order to pursue a restructuring;
10. On June 9, 2026, the Court granted an initial proposal Order (the “**Initial Proposal Order**”) which, among other things:
 - a. granted an initial stay of proceedings up to and including July 8, 2026;
 - b. granted an Administration Charge up to \$150,000 in respect of professional fees and disbursements incurred up to July 7, 2026; and
 - c. adjourned the balance of the June 9, 2026 Motion, including the approval of the DIP Term Sheet and granting of the DIP Charge and the balance of the Administration Charge requested to the return of this Motion on July 7, 2026;
11. On July 7, 2026, the Court approved the DIP Term Sheet, granted the DIP Charge, and granted the balance of the Administration Charge, increasing same by \$350,000 to \$500,000. The Court also granted a sealing order in respect of a material agreement between CYMI and Signature on the Saint Lawrence Construction G.P. (“**SSLC**”), and established a process whereby SSLC would be provided notice of any proposed disclosure of the agreement and afforded an opportunity to object before the agreement could be unsealed and disclosed to stakeholders and interested parties;

Updates Since the July 7, 2026 Motion

12. Since the granting of the Initial Proposal Order and the subsequent Order dated July 7, 2026, CYMI has continued to work diligently, in good faith, and with due diligence,

together with the Proposal Trustee and its stakeholders, to develop a viable proposal for the benefit of creditors;

13. Significant efforts have been undertaken to clarify both the asset realization opportunities available to the estate and the claims that will ultimately participate in any proposal;

14. With respect to potential realizations for the estate:

- a. SSLC: Pursuant to the Court's prior Order, CYMI served SSLC with notice of the proposed disclosure of its material agreement with CYMI, providing SSLC with an opportunity to object within fourteen (14) days. Service by registered mail to the address listed on SSLC's website was returned undelivered, following which service was effected at SSLC's corporate address identified through a corporate search. The objection period expired on August 11, 2026. No objection has been received and hence, as permitted by the July 7, 2026 Order in this proceeding, CYMI proposes to disclose information about the sealed agreement to creditors. The stay extension will give stakeholders time to consider that information and assess its implications for a viable proposal. As a precaution given SSLC's silence in response to service of the July 7 Order permitting SSLC fourteen (14) days to object to disclosure of the agreement, CYMI seeks an Order confirming the right to disclose the agreement to CYMI creditors given the absence of any objection by SSLC;
- b. Mosaic: CYMI is owed approximately \$4.988 million in holdback funds under its contract with Mosaic in respect of CYMI's role as the main contractor for the core rail electrification infrastructure on TTC's Line 6 (Finch Line) project. (Mosaic, the general contractor for the project, brought in CYMI for the electrification role.) The

Mosaic holdback receivable is a significant source of recoveries to fund a proposal to creditors. Substantial completion of CYMI's work under its contract with Mosaic occurred in late 2025 and Mosaic was invoiced in 2026 and then requested to pay, which Mosaic acknowledged. In response, Mosaic attempted to impose conditions on the payment not provided by the contract and which did not constitute a valid excuse for non-payment. Further requests for payment were sent during the past extension period to which Mosaic has not responded. CYMI therefore seeks to schedule an expedited hearing for an order directing Mosaic to pay the holdback as collection of same is important to a successful proposal, and Mosaic's non-responsiveness and non-payment is holding up the finalization of CYMI's proposal;

15. With respect to liabilities and stakeholder engagement:

- a. Bridging North America Corporation (“**BNA**”): CYMI has confidentially shared aspects of its proposal concept with BNA and discussions continue re same;
- b. Canada Revenue Agency (“**CRA**”): CYMI has engaged with the CRA regarding its proposal to reassess CYMI and impose an additional HST liability of approximately \$233,000. CYMI has obtained an extension of time to object to the proposed reassessment. The reassessment is premised upon reversing input tax credits claimed in connection with accounts payable outstanding as of the NOI filing date on the assumption that those obligations will not ultimately be paid. However, recoveries from, among others, the Mosaic claim and other receivables may permit payment of some or all of those obligations. As a result, the proposed reassessment is premature and CYMI has notified CRA it intends to object to the proposed reassessment and is in the process of filing materials with CRA re same;

- c. Barton Malow (formerly Alltrade Industrial Contractors Inc.): During the past extension period, Barton Malow asserted construction trust claims against CYMI's assets. After discussion with CYMI, Barton Malow acknowledged it will refrain for now from pursuing enforcement steps while CYMI continues its proposal efforts;
 - d. ABB: ABB has made demand under a guarantee issued by CYMI Spain (defined below) which it asserts covers obligation owed to it by CYMI. The validity and enforceability of that demand are currently under review, and ABB has been requested to refrain from enforcement efforts while proposal negotiations continue;
16. CYMI has also continued discussions with its parent company, Control y Montajes Industriales CYMI, S.A. (“**CYMI Spain**”), concerning sponsorship of a proposal. Those discussions remain ongoing; however, the structure and scope of any sponsorship arrangement depends upon greater certainty regarding the BNA claim, the SSLC agreement, and the Mosaic recovery;

Need for Extension of Time and Stay

17. The current stay of proceedings expires on August 21, 2026. CYMI seeks a further extension of forty-five (45) days, up to and including October 5, 2026, to permit completion of the work necessary to formulate and advance a viable proposal to creditors;
18. Additional time is required to:
- a. to allow stakeholders sufficient opportunity to review information about CYMI's relationship with SSLC now that the time to object to disclosure of the CYMI/SSLC agreement has expired;

- b. pursue the collection of the Mosaic claim, including obtaining directions from this Court for an expedited hearing re same;
 - c. continue engagement with BNA, CRA, Barton Malow, ABB and other stakeholders to finalize the structure and terms of a proposal;
 - d. complete negotiations with CYMI Spain regarding sponsorship and support for the proposal in light of the outcome of a-c; and
 - e. finalize and present a proposal that has a reasonable prospect of acceptance by creditors.
19. CYMI believes that a further forty-five (45) day extension will be sufficient to resolve or materially advance the foregoing matters and permit a viable proposal to be filed;
20. CYMI has acted, and continues to act, in good faith and with due diligence throughout these proceedings;
21. No stakeholder will suffer material prejudice if the extension is granted. To the contrary, the requested extension will maximize the prospects of a successful restructuring and enhance recoveries available to creditors;
22. By the expiry of the proposed extension, CYMI will have used approximately 148 days of the maximum 180-day restructuring period contemplated by section 50.4 of the BIA. Accordingly, sufficient time remains within the statutory framework to grant the requested extension;
23. Absent the requested extension, CYMI would be deemed bankrupt, significantly prejudicing creditors and stakeholders and jeopardizing the ongoing efforts to develop a proposal with a reasonable prospect of success;

24. The requested extension is therefore appropriate, necessary, and in the best interests of CYMI, its creditors, and the administration of these proceedings;

Approving the Third Report

25. The proposed Order seeks approval of the Third Report and the actions, conduct and activities of the Proposal Trustee, as set out therein;

Other Grounds

26. Such other grounds as are set out in the affidavit of Oscar De la Fuente Tomé and in the Third Report;

27. The provisions of the BIA and the inherent and equitable jurisdiction of this Honourable Court;

28. Rules 1.04, 1.05, 2.01, 2.03, 3.01, 3.02, 14.05, 16, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

29. Such further and other grounds as counsel may advise and this Court may permit.

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

1. The Affidavits of Oscar De la Fuente Tomé, affirmed June 9, 2026 and July 2, 2026 in support of prior extensions, and a similar affidavit to be affirmed in August 2026 in support of the present motion, and the Exhibits attached thereto;
2. The First and Second reports of the Proposal Trustee, filed, and the Third Report of the Proposal Trustee to be filed; and
3. Such further and other documentary evidence as counsel may advise and this Court may permit.

August 14, 2026

GARDINER ROBERTS LLP
Bay Adelaide Centre, East Tower
22 Adelaide St. W., Suite 3600
Toronto, ON M5H 4E3

Chris Besant (24882O)

cbesant@grllp.com

416-865-4022

Saisha Mahil (80083T)

smahil@grllp.com

416-203-9547

Lawyers for CYMI Canada Inc.

TO: THE SERVICE LIST

Court File No. BK-26-03371910-0033
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GARDINER ROBERTS LLP

Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 3600
Toronto ON M5H 4E3

Chris Besant (24882O)

Tel: (416) 865-4022
CBesant@GRLLP.com

Saisha Mahil (80083T)

Tel: (416) 203-9547
SMahil@GRLLP.com

Lawyers for CYMI Canada Inc.