



September 24, 2024

Delivered via registered mail and email

Custom Steam Solutions Inc.
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Canada
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With a copy to, darlene.burt@customsteam.ca,
ankit.madotra@customsteam.ca and
sandeep.madhotra@customsteam.ca

Attention: Ameya Desai

Dear Ameya Desai

RE: Notice of Termination –Ancaster Project

Reference is made to our letters to you dated August 13, 2024, and September 6, 2024, re: Notice of Default (collectively, the “**Default Notices**”). Capitalized terms that are used and not defined in this letter have the meaning given to them in the Default Notices.

We hereby acknowledge receipt of your letter dated September 20, 2024.

Notice of Lien

On September 23, 2024, we received a letter from Blaney McMurtry dated September 19, 2024, informing us of a lien registered on title to the lands municipally known as 863 Nebo Road, Hamilton, Ontario and legally described as PIN 17387-0086 (LT) and 17387-0089 (LT). The claimant is Multi-Glass Insulation Ltd., which is a supplier to your subcontractor B.N.B. Insulation Inc. The lien claim is in respect of the supply of insulation materials and the amount claimed as owing is the amount of \$27,208.77 (inclusive of HST).

Pursuant to the T&Cs, you agreed to keep the property free and clear of all liens and claims respecting the provision of the services or the supply of goods by CSS and to indemnify us from and against all claims or liens registered by you or any other person against our property or the work site, unless such lien or claim has been registered or made as a direct result of non-payment by Atlantic of an undisputed portion of the Contract price. As you are aware, we provided you with a notice of non-payment under the Construction Act dated August 13, 2024 identifying all amounts in dispute. Pursuant to the T&Cs, you are to cause the lien to be satisfied or vacated or discharged from title as soon as possible and in any case within five business days of registration (the registration date being September 16, 2024). If you fail to so vacate or discharge any such lien in a timely manner, we may vacate or discharge that lien and charge you, or set off against the Contract price, the full costs and expenses of so doing.

We demand that you proceed to vacate or discharge the lien and provide us with evidence of so doing no later than **October 2, 2024**. In addition, on or before such date, we demand that you provide us with a statutory declaration confirming that all accounts owing to your subcontractors have been paid in full, except for holdback monies properly retained, payments deferred by agreement, or amounts

withheld by reason of a legitimate dispute which have been identified to the parties from whom payment has been withheld.

Notice of Termination

In the Default Notices, we provided you with written notice of breach. Notwithstanding the assertions in your letter dated September 20, 2024 that you have taken all necessary steps and have resolved deficiencies as they relate to the operating of the system, as of the date of this letter, the breaches continue unremedied. Until the deficiencies are remedied, a factory acceptance test cannot be concluded. A complete list of deficiencies will follow under separate cover.

The purpose of this letter is to provide notice to you that we are terminating the Contract in whole for cause effective immediately, pursuant to Section 12 of the T&Cs. Note however that your obligation to discharge any liens in respect of the provision of the services or the supply of goods by or through CSS as noted above, and any remedies available to us shall continue and survive such termination.

We reserve the right to invoice CSS the full value of the credit note to be issued to Atlantic, in the amount of CAD\$180,891, together with all amounts required to rectify the deficiencies, vacate or discharge any liens, and complete the scope of work contemplated by the Contract and to set-off such amounts against all invoiced amounts owing to CSS and to bring a claim for damages for recovery of any remaining amounts owing to Atlantic.



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Regards,
Marco Niro La Torretta
VP Engineering Corrugated North America

ATLANTIC PACKAGING PRODUCTS LTD.