

Leon Mfg. Company Inc.

Invitation for Offers to Purchase Assets or Liquidation Proposals

July 2, 2024



Notice of Sale

On June 11, 2024, pursuant to an Order granted by the Court of King's Bench of Saskatchewan (the "Court"), Ernst & Young Inc. ("EY" or the "Receiver") was appointed as Receiver of Ram Industries Inc. ("Ram") and Leon Mfg. Company Inc. ("Leon"). A copy of the Order and other public materials in relation to the receivership can be accessed via the Receiver's web site at www.ey.com/ca/leonram.

Ram was a designer and manufacturer of hydraulic cylinders and presses. Ram specialized in manufacturing farm implements such as dozer blades, buckets, and front-end loaders. Both Ram and Leon operated out of Yorkton, Saskatchewan.

In its capacity as Receiver, EY is currently inviting offers (the "Offer(s)") for the purchase of the assets of Leon, or in the alternative, proposals to liquidate (the "Proposal") the assets being: tools, equipment, rolling stock, office furnishings and real estate (the "Assets") located in Yorkton, Saskatchewan.

A list of the Assets is attached hereto as **Schedule "B"**.

Offers are deliverable to Ernst & Young Inc., 10423-101 Street, Suite 1400, Edmonton, Alberta T5H 0E7, to the attention of Evan MacKinnon, and must be received by no later than 4:00pm (Mountain Time) on July 31, 2024. Interested parties are advised to read carefully and fully understand the terms and conditions.

All Offers and Proposals must be accompanied by a certified cheque or bank draft payable to "Ernst & Young Inc." in the amount of at least 15% of the Offer price or Proposal as a deposit. This deposit will be refunded, without interest, to the tenderer if the Offer or Proposal is not accepted; however, the deposit will be forfeited to the Receiver as liquidated damages if the Offer or Proposal is accepted, and the sale is not completed by the offeror. The balance of the offer price will be payable by certified cheque, wire transfer, or bank draft on closing. Offers and Proposals may be made for the purchase or liquidation of individual lots or en bloc.

The Receiver will make arrangements to have personnel available for the purpose of allowing prospective parties to inspect the Assets. Appointments can be made for inspections by contacting Evan MacKinnon via email (evan.mackinnon@parthenon.ey.com) or phone (780 441 2447).

This package has been prepared solely for the information of parties expressing an interest; or, who may have an interest, in the Assets. The information herein is subject to change and has not been audited or verified by the Receiver and the Receiver expressly disclaims liability for any loss or damage that may arise from use of this information. All parties who wish to participate in this Invitation should conduct and rely on their own due diligence in relation to the completeness, existence, fitness for use, and status of any of the Assets and other information noted herein.

Yours very truly,

ERNST & YOUNG INC., in its capacity as
Receiver of Ram Industries Inc. & Leon Mfg.
Company Inc. and not in its personal or
corporate capacity



Matt McCulloch, CPA, CA, CIRP, LIT
Senior Vice President

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Conditions of Sale

1. EY is inviting Offers and Proposals for the purchase and sale of the Assets solely in its capacity as Receiver and shall have no personal liability in respect of this sales process or in respect of the sale of the Assets.
2. EY is inviting Offers and Proposals for the purchase and sale of the Assets on an individual lot or en bloc basis.
3. If any Offer and Proposal is accepted by the Receiver, the Receiver's acceptance is subject to and conditional upon the Receiver obtaining Court Approval (if/as required).
4. Any capitalized term not otherwise defined in these Conditions of Sale shall have the meaning ascribed to such term in the Notice of Sale and Invitation accompanying these Conditions of Sale.
5. Any documentation or other material provided to any party relating to the Assets that are the subject matter of this Invitation, including without limitation all related Schedules and the Invitation, has been prepared solely for the convenience of interested parties and the Receiver makes no representations or warranties as to the completeness or accuracy of such information.
6. The Assets are being sold on an "**as is, where is**" basis. No representation or warranty, express or implied is given with respect to the title, size, description, fitness for purpose or intended use, quantity, number, condition, quality or location of any of the Assets, or in respect of any other matter or thing. Any party submitting an Offer or Proposal ("**Offeror**") shall be deemed to have relied entirely upon their own due diligence.
7. The Receiver will make arrangements to have personnel available for the purpose of allowing prospective parties to inspect the assets of Leon.
8. Offers (to purchase) must be in the form attached hereto as **Schedule "A"**. EY reserves the right to reject any Offer (to purchase) not made in the attached form. In accordance with the Notice of Sale, EY reserves the right to reject any Offer – not just Offers not made in the correct form.
9. Proposals (to liquidate) the Assets must be in a form that sets out the estimated gross proceeds, the commission structure, details and estimates of costs associated with the liquidation to be paid from the proceeds and the net estimated recovery for the estate, including any net minimum guarantee.
10. Offers and Proposals must be delivered to EY no later than 4:00 PM (Mountain Time) on Tuesday, July 31, 2024 (the "**Offer Deadline**"), to their Edmonton office: Ernst & Young Inc., EPCOR Tower, 10423 – 101 Street, Suite 1400, Edmonton, Alberta T5H 0E7.
11. Offers shall be accompanied by a deposit equal to at least 15% of the Offer price (the "**Offer Deposit**"). The Offer Deposit shall be paid by certified cheque or bank draft payable to "Ernst & Young Inc.". The Offer Deposit is non-refundable unless an Offer is rejected by the Receiver in which case, it will be refunded in accordance with paragraph 15 of these Terms and Conditions.
12. Proposals shall be accompanied by a deposit equal to at least 15% of the net minimum guarantee; or, if there is no net minimum guarantee, 15% of the net estimated recovery for the Estate (the "**Proposal Deposit**", and collectively with the Offer Deposit the "**Deposit**"). The Proposal Deposit shall be paid by certified cheque or bank draft payable to "Ernst & Young Inc.". The Proposal

Deposit is non-refundable unless a Proposal is rejected by the Receiver, in which case it will be refunded in accordance with paragraph 14 of these Terms and Conditions.

13. If an Offer or Proposal is accepted by the Receiver and Court Approval is granted, the Deposit will be applied to the purchase price of the purchased Assets on closing; or, in the case of a Proposal, the Deposit will be applied as a reduction of the net proceeds payable to the Estate from the liquidation or the net minimum guarantee, whichever is greater.
14. The Receiver will return any Deposit, within ten (10) business days of the related Offer or Proposal being rejected by the Receiver or by the Court. Deposit refunds will be sent by registered mail or courier.
15. Offerors shall not be entitled to interest on Deposits.
16. If an Offer or Proposal is withdrawn prior to the Receiver notifying the Offeror that its Offer or Proposal has been rejected or accepted, or if the Offeror fails to close the purchase on the terms and conditions set out herein after the Receiver accepts the Offer or Proposal and Court Approval is obtained, the Deposit shall be immediately and irrevocably forfeited to the Receiver.
17. The Receiver, in its sole discretion:
 - a. negotiate the terms of any Offer or Proposal with one or more Offerors;
 - b. waive or vary any of these Terms and Conditions;
 - c. accept an Offer or Proposal, or portion thereof, prior to the Offer/Proposal Deadline;
 - d. reject an Offer or Proposal in full and unfettered discretion; and
 - e. withdraw this Invitation at any time.
18. The highest, or any Offer or Proposal may not necessarily be accepted.
19. All conditions in the *Sale of Goods Act (Alberta)*, R.S.A. 2000, c. S-2, are expressly waived with respect to the Assets by any Offeror.
20. Upon acceptance of an Offer or Proposal by the Receiver, the Offeror and the Receiver shall enter into a written and binding agreement for purchase and sale of the Assets (or liquidation of the Assets in the case of a Proposal), which agreement shall incorporate these Terms and Conditions to the extent they are applicable.
21. Should the Receiver be unable to complete a sale of any of the assets comprising the Assets, due to a defect in title, the Receiver and the Offeror may negotiate an adjustment to the purchase price, failing which the Receiver may terminate any agreement for purchase and sale or proposal agreement and return the Deposit to the Offeror. The Offeror shall be entitled to no remedy against the Receiver in such an instance other than return of its Deposit, if applicable.
22. On Closing:
 - a. the successful Offeror (the "**Purchaser**") shall pay the balance of the purchase price, plus any applicable taxes, subject to any adjustments as agreed to by the Receiver in its sole discretion, to the Receiver, by certified cheque or bank draft; and
 - b. on payment of the balance of the purchase price plus any applicable taxes, the Receiver's interest in the purchased Assets shall transfer to the Purchaser.
23. Within five days of the Closing Date, the Purchaser shall either:
 - a. take physical possession of all purchased Assets and remove such Assets from the premises (the "**Premises**") on which the Assets are located, or;

- b. make arrangements with the owner of the Premises for the Assets to remain at the Premises, at the Purchaser's sole cost and expense with an express acknowledgement that the Receiver is released from all liability and occupation costs related to the Premises from and after five days after the Closing Date and that the Purchaser shall indemnify the Receiver in respect of same.
24. The Purchaser shall be responsible for all costs to remove the purchased Assets from the Premises including:
- a. any costs, liability or damage to the Premises as a result of removal of the purchased Assets,
 - b. in the case of an *en bloc* purchase of the Assets of a location, the costs of leaving the Premises in a broom-swept condition, and;
 - c. any costs (if any), including legal costs, incurred by the Receiver as a result of issues that arise in relation to the Premises as a result of the above.
25. In the case of an accepted Proposal, the successful Offeror (the "**Proponent**") shall be responsible to ensure that all Assets are removed from the Premises within five days following the conclusion of the liquidation and, in addition, the Proponent shall leave the Premises in a broom-swept condition and shall be liable for all costs, damages to the Premises, or costs arising due to any delay in removal of the Assets.
26. Any obligation of the Receiver to sell the Assets shall be terminated in the event that, prior to the Closing Date, the Assets are substantially damaged or destroyed. From and after the Closing Date, all risk of loss and damage to the purchased Assets shall be borne by the Purchaser(s) or Proponent(s) (as applicable).
27. In the event that the Purchaser fails to comply with the terms and conditions of Closing, the Purchaser shall forfeit the Deposit to the Receiver and the Receiver may resell the Assets to another party. The Purchaser shall be liable for any deficiency resulting from such a resale, including all costs and expenses in connection with the resale, including the ongoing costs of occupancy of the Premises and all legal costs.
28. All legal costs of the Receiver that the Purchaser, Proponent or Offeror is responsible to pay hereunder shall be on a full indemnity, solicitor-and-its-own-client-basis.
29. Any liability of the Receiver to any Offeror, Purchaser or Proponent shall be limited to the return of the Offeror's, Proponent's, or Purchaser's Deposit, without interest and without costs.
30. The Receiver represents and warrants to the Purchaser or Proponent that it is now and will be, at the Closing date, a resident of Canada within the meaning of the *Income Tax Act* (Canada) and that this representation shall survive the Closing of any sale or transaction.
31. Any resulting agreement of purchase and sale, or proposal agreement, if entered into, shall enure to the benefit of, and be binding upon, the parties thereto and their respective successors, heirs and assigns. Any resulting agreement of purchase and sale, or proposal agreement, if entered into, may not be assigned by either party without the express written consent of the other party.
32. Time is and shall be of the essence.
33. This document, and any Offer or Proposal, and acceptance of any Offer or Proposal shall constitute the entire agreement between the parties and may only be amended in writing.
34. This sales process, any Offer or Proposal, and any purchase and sale of the Assets shall be irrevocably governed by the laws of the Province of Manitoba and the laws of Canada applicable therein. The Receiver, and any Offeror, Purchaser or Proponent irrevocably and exclusively attorn to the jurisdiction of the Courts of the Province of Manitoba.

Dated at the City of Edmonton in the Province of Alberta, this 2nd day of July, 2024.

ERNST & YOUNG INC., in its capacity as
Ram Industries Inc. & Leon Mfg. Company Inc.

per:

A handwritten signature in black ink, appearing to read 'M. McCulloch', with a stylized flourish at the end.

Matt McCulloch, CPA, CA, CIRP, LIT
Senior Vice President

Schedule A Form of Offer

To: Ernst & Young Inc.
Receiver of Ram Industries Inc.
& Leon Mfg. Company Inc.
Attention: Evan MacKinnon
10423-101 Street, Suite 1400
Edmonton, Alberta T5H 0E7

Offers must be submitted no later than 4:00 PM (Mountain Time) Monday, July 31, 2024

Offers must be accompanied by a deposit in certified funds equal to at least 15% of the purchase price

1. _____
(Name of Offeror)

2. _____
(Address of Offeror)

3. _____
(Telephone Number)

4. _____
(Email Address)

5. I/We hereby submit this offer for the purchase of the following:

Lots Specific Lots listed in Schedule B

En Bloc– All Assets	_____	(\$CAD)
	\$ _____	
Total of Specific Assets (bid by lot in Schedule B)	_____	(\$CAD)
	\$ _____	
Total (for all Lots):	_____	(\$CAD)
	\$ _____	

6. In addition to the amount(s) offered, we agree that we will pay the applicable GST.

7. I/We agree, in the event that this tender is accepted, to be bound by the Conditions of Sale as set out in the Invitation in connection with the above Company which shall form part of this offer. I/We

agree that the Vendor is not obligated to accept the highest or any tender and may reject any or all tenders.

8. This tender and offer is irrevocable.

9. Enclosed is my/our bank draft payable to "Ernst & Young Inc." as a deposit in the amount of:

\$ _____ (\$CAD), representing 15% of the total amount of our/my tender submitted herein, **inclusive of applicable taxes.**

DATED at _____ this _____ day of _____, 2024.
(City,Prov) (Day) (Month)

Authorized Signing Officer

Name (please print)

Schedule "B"

Detailed Lot Listing

Leon Mfg. Company Inc.		
Lot	Item Description	Serial No. / Unit
1	135 York Rd., Yorkton, SK ~93,235 Square Foot Facility situated on 12.79 acres w/ ~1,700 Square Foot Storage Building & ~3,240 Square Foot Quonset	
2	16 Ton Power Fist Pipe Bender	
3	1997 Femco KFV Vertical Milling Center	Serial No. 13243
4	20 Ton Air Shop Press	
5	2006 Peterbilt 335	VIN 2NPLLZOX86M658319
6	2015 Omega Rough Terrain Forklift, 10,000lb (~2,400 Hours)	Serial No. OM991TWS
7	2020 Cadillac XT5 Sport AWD (~32,500km)	VIN 1GYKNHRS3LZ198922
8	24' SSC Space Saver Steel Storage Rack (2)	
9	27' Metal Parts Shelf Unit (5)	
10	4' x 10' Metal Worktable	
11	45' SSC Space Save Steel Storage Rack (2)	
12	5' Blue Metal Shelf (8)	
13	500lb Jib and Chain Hoist	
14	7 - 10' Metal Work Bench	
15	Accupress 732014 - 320 Ton x 14'	Serial No. 1729, Unit 402
16	Ackland's AK Matic 130 XP	
17	Ackland's Arc Welder	
18	Alcraft Powder Curing Oven, Alcraft Powder Spray Booth, Gema Powder Coating Gun (2), Complete System	
19	B & D Professional Magnetic Drill	
20	Baliegh RDB175 Tube Bender	Serial No. 30-1213
21	Bander	
22	Belt Sander on Stand	
23	Ben Pearson 2 Post Hoist, 10,000lb	Serial No. 020801030
24	Bertram Model 2548 Drill	Serial No. 11362
25	C-1 CM 1 Ton Crane/Hoist	Serial No. L-057E, Unit 1020
26	Caldwell 5 Ton Spreader Bar	
27	Cub Cadet LTS125 Garden Tractor	
28	Deltaweld 452 w/ Wire Feed	Serial No. CJ272558, Unit 607
29	Droke Aronsen DC400 Plasman Cutting Table	
30	Dual Grinder on Stand	
31	Emag 3 Ton Crane/Hoist	Serial No. 96943, Unit 1004
32	Fairbanks Freight Scale	
33	Ficep Iron Worker Model ST/Super	Serial No. 14729, Unit 308
34	Ficep UIW 100	
35	Hofmann 2 Post Car Hoist	Serial No. 0760525
36	Hougen Magnetic Drill	
37	HTC Model 67512A 3/8 Shear	Serial No. A372598, Unit 404
38	HTC Model CFP150G	Serial No. 979T1712, Unit 306
39	Hyd-Mech V18 A Vertical Band Saw	Serial No. K0908349
40	Hyd-Mech V18 APC Vertical Band Saw	Serial No. K1296052, Unit 103
41	Hydrauli Tester	
42	Hydraulic Lift Table	Unit 1111
43	Hydraulic Power Pack (Shopmade)	
44	Hydraulic Powerfist Power Pack	
45	Hydraulic Press Cutter/Bender	
46	Hyster H155XL Forklift (~7,900 Hours)	Serial No. F006D04261U
47	Hytsu Hand Pallet Lift (2)	

Leon Mfg. Company Inc.

Lot	Item Description	Serial No. / Unit
48	King Model KC-118FC 16 Speed 17" Drill Press	
49	Kito EF2-020L 2 Ton Crane/Hoist	Serial No. 1802, Unit 1009
50	Kito ER005S 1/2 Ton Crane/Hoist	Serial No. 75992, Unit 1027
51	Lift Table	
52	Loadlifter Shawbox 5 Ton Crane/Hoist	Serial No. 87451, Unit 1001
53	Manual Lathe CD 62500	Serial No. 04110
54	Metal Chain Hanging Rack (2)	
55	Metal Worktable w/ Vice, 4' x 6'	
56	Metal Worktable, 4' x 10'	
57	Miller Deltaweld 452 w/ Wire Feed	
58	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG420276C
59	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC287462, Unit 632
60	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC282007, Unit 606
61	Miller Deltaweld 452 w/ Wire Feed	
62	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG420278C
63	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG102987C
64	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG460411C
65	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG460410C
66	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC303917, Unit 620
67	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC287456, Unit 670
68	Miller Deltaweld 452 w/ Wire Feed	Serial No. HJ174374, Unit 625
69	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC281997, Unit 634
70	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC303918, Unit 609
71	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC303916
72	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC287476, Unit 616
73	Miller Deltaweld 452 w/ Wire Feed	Serial No. HJ194266, Unit 619
74	Miller Deltaweld 452 w/ Wire Feed	Serial No. LG282035, Unit 618
75	Miller Deltaweld 452 w/ Wire Feed	Serial No. LJ102986C
76	Miller Deltaweld 452 w/ Wire Feed	Serial No. LJ102979C
77	Miller Deltaweld 452 w/ Wire Feed	Serial No. LC282037
78	Miscellaneous Work in Progress of Leon	
79	Miscellaneous Metal Piping, Tubes, Etc.	
80	Miscellaneous Screws, Bolts etc.	
81	NB Metal Lathe Model 4ML1500	
82	Nider Miller Machine NI70	Serial No. 7470250
83	Oxy / Acyt Cart w/ Gauges & Hose (4)	
84	Pallet Beam (6)	
85	Pallet Jack	
86	Pallet Jack	
87	Pallet Upright End (2)	
88	Portomag Magnetic Drill	
89	PTO Driven Rate	
90	Ramrod 1550 Skid Steer (~3,000 Hours)	Serial No. 1593-1509, Unit 906
91	Relius 2 Ton Pallet Jack	
92	Rubbermaid 4010 Electronic Scale	
93	Rusch Horizontal Metal Cutting Band Saw	Unit 107
94	Sections of Pallet Rack (6)	
95	Sellers Bit Sharpener 20D	Serial No. 3575, Unit 505
96	Shop Made Test Bench w/ Vicker Power Pack	
97	Skyjack SJIII3015 Manlift	Serial No. 17054
98	Speed Aire 5.5 hp Air Compressor	Serial No. 4B241B
99	Steel Bander Machine	
100	Sullair RD500 Model RD500460360A Compressor	Serial No. 2012SA01265
101	Titan 6500 Pallet Jack	
102	Toyota 30 Forklift (~12,000 Hours)	

Leon Mfg. Company Inc.

Lot	Item Description	Serial No. / Unit
103	Trak Lathe TRL2460SX w/ Tooling	Serial No. 113CV63794
104	Trak Lathe TRL2460SX w/ Tooling	Serial No. 113CV63821
105	Trumpf Laser Cutter TLF 3000 Turbo	Serial No. 2868
106	Various Office Furniture and Equipment	
107	Wajax Forklift (Blue)	
108	Wash Booth w/ Easy Kleen 5hp Steam Washer System	
109	Westward 5 Ton Gantry "A" Frame Crane	Unit 1008
110	Westward Air Hose Reel (5)	
111	Yale GP060VX Propane Powered Forklift	Serial No. B875V02837G
112	Yale Vertical Band Saw	Unit 106