

**Wells Fargo Capital Finance Corporation Canada**

July 1, 2018

Tree Island Industries Ltd.  
3933 Boundary Road  
Richmond, BC  
V6V 1T8

**Attention: Ms. Nancy Davies, VP Finance and CFO**

Dear Ms. Davies:

**Re: Second Amended and Restated Credit Agreement dated April 21, 2014 (as amended April 30, 2015, July 28, 2015, October 30, 2015 and April 21, 2017 and as further amended, modified, supplemented, extended, renewed, restated or replaced, the "Credit Agreement") between Tree Island Industries Ltd., as Canadian Borrower, Tree Island Wire (USA), Inc., as U.S. Borrower, Tree Island Steel Ltd. and Tree Island Wire Holdings (USA), Inc., as Guarantors, the lenders signatory thereto from time to time, and Wells Fargo Capital Finance Corporation Canada, as Agent. Unless otherwise defined herein, the capitalized terms used herein have the meanings given to them in the Credit Agreement.**

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You have requested that we amend the Credit Agreement as follows:

1. Amendments to Credit Agreement.

- (a) The following exhibits and schedules hereto replace the corresponding exhibits and schedules attached to the Credit Agreement:

"Exhibit A	Information Certificates
	Tree Island Steel Ltd.
	Tree Island Industries Ltd.
	Tree Island Wire Holdings (USA), Inc.
	Tree Island Wire (USA), Inc.
Schedule 1.36	Commitments
Schedule 6.1	Form of Borrowing Base Certificate
Schedule 7.1	Corporate Structure Chart
Schedule 7.4	Existing Encumbrances
Schedule 7.8	Bank Accounts
Schedule 7.11(e)	Environmental Disclosure
Schedule 8.9	Existing Indebtedness
Schedule 8.10	Existing Loans, Advances and Guarantees
Schedule 10.1(a)(iv)	Form of Assignment Agreement"

- (b) The following new definitions are inserted in the applicable numerical order in Article 1 (Definitions):

**"1.1A           "Acceptable Appraisal"**

**"Acceptable Appraisal"** shall mean the most recent appraisal as to the Equipment and Eligible Real Property in form, scope and methodology acceptable to the Agent and by an appraiser acceptable to the Agent addressed to the Agent or upon which the Agent is expressly permitted to rely.

**"1.14A           "Canadian Capex Term Loan"**

**"Canadian Capex Term Loan"** shall mean any Capex Term Loans denominated in Canadian Dollars or U.S. Dollars made available by the Canadian Lenders to the Canadian Borrower as set forth in Section 2.7(a).

**"1.23A           "Capex Term Loan Commitment"**

**"Capex Term Loan Commitment"** shall mean, as to any Lender, the Capex Term Loan Commitment as set forth next to such Lender's name on Schedule 1.36 hereto or in the most recent Assignment Agreement executed by such Lender, which (i) aggregate commitment is \$10,000,000 (or the Equivalent Amount in U.S. Dollars) on July 1, 2018 and (ii) is available by way of Canadian Dollars or U.S. Dollars made available by the Lenders to the Borrowers as set forth in Section 2.7(a).

**"1.23B           "Capex Term Loan Maximum Limit"**

**"Capex Term Loan Maximum Limit"** shall have the meaning set forth in Section 2.7(a) hereof.

**"1.23C           "Capex Term Loans"**

**"Capex Term Loans"** shall mean, collectively, the term loans made to the Borrowers pursuant to Section 2.7 hereof.

**"1.42B           "Eligible New Equipment"**

**"Eligible New Equipment"** shall mean any Eligible Equipment acquired or to be acquired by Borrowers and which does not form part of the calculation for the Fixed Asset Term Loan Maximum Limit.

**"1.57A           "Fixed Asset Term Loan"**

**"Fixed Asset Term Loan"** shall mean the fixed asset term loan made to the Borrowers pursuant to Section 2.6 hereof.

**"1.57B           "Fixed Asset Term Loan Commitment"**

**"Fixed Asset Term Loan Commitment"** shall mean, as to any Canadian Lender, the Fixed Asset Term Loan Commitment as set forth next to such Canadian Lender's name on Schedule 1.36 hereto or in the most recent Assignment Agreement executed by such Canadian Lender, which (i) aggregate commitment is \$10,000,000 (or the Equivalent Amount in U.S. Dollars) on July 1, 2018 and (ii) is available by way of Canadian Dollars made available by the Canadian Lenders to the Canadian Borrower as set forth in Section 2.6(a).

**"1.57C           "Fixed Asset Term Loan Maximum Limit"**

**"Fixed Asset Term Loan Maximum Limit"** shall have the meaning set forth in Section 2.6(a).

**"1.62A           "Hard Costs"**

**"Hard Costs"** shall mean, with respect to the acquisition by any Borrower of an item of Eligible New Equipment, the net cash amount actually paid to acquire title to such item, net of all incentives, trade in allowances, discounts and rebates, and exclusive of freight, delivery charges, installation costs and charges, software costs, charges and fees, warranty costs, taxes, insurance and other incidental costs or expenses and all indirect costs or expenses of any kind.

**"1.97   "Replacement Rate"**

**"Replacement Rate"** shall have the meaning set forth in Section 3.(g).

**1.108A           "U.S. Capex Term Loan"**

**"U.S. Capex Term Loan"** shall mean any Capex Term Loans denominated in U.S. Dollars made available by the U.S. Lenders to the U.S. Borrower as set forth in Section 2.7(a)."

- (c) The definition of **"Commitments"** in Section 1.36 is deleted and replaced with:

**"1.36           "Commitments"**

**"Commitments"** shall mean:

- (a) as to any Lender, the aggregate of such Lender's Canadian Revolving Loan Commitment, U.S. Revolving Loan Commitment, Fixed Asset Term Loan Commitment and the Capex Term Loan Commitment as set forth next to such Lender's name on Schedule 1.36 hereto or in the most recent Assignment Agreement executed by such Lender; and
- (b) as to all Lenders, the aggregate of all Lenders' Canadian Revolving Loan Commitment, U.S. Revolving Loan Commitment, Fixed Asset Term Loan Commitment and Capex Term Loan Commitment, which aggregate commitment is \$80,000,000 (or the Equivalent Amount in U.S. Dollars) on July 1, 2018 and the aggregate of the Canadian Revolving Loan Commitment

and the U.S. Revolving Loan Commitment is \$60,000,000 (or the Equivalent Amount in U.S. Dollars) on July 1, 2018."

- (d) The definition of "**Interest Rate**" in Section 1.70 is amended by deleting paragraphs (a), (b), (c), (d) and (e) and replacing them with:

"(a) as to Canadian Revolving Loans: a rate equal to the CDOR Rate *plus [commercially sensitive information redacted]*% *per annum* for Canadian Revolving Loans denominated in Canadian Dollars, and a rate equal to LIBOR *plus [commercially sensitive information redacted]*% *per annum* for Canadian Revolving Loans denominated in U.S. Dollars;

(b) as to U.S. Revolving Loans: a rate equal to LIBOR *plus [commercially sensitive information redacted]*% *per annum*;

(c) as to the Fixed Asset Term Loan advanced in Canadian Dollars on July 1, 2018: a rate equal to the CDOR Rate *plus [commercially sensitive information redacted]*% *per annum*;

(d) [reserved];

(e) as to Capex Term Loans advanced in Canadian Dollars: a rate of equal to the CDOR Rate *plus [commercially sensitive information redacted]*% *per annum*; and

(f) as to Capex Term Loans advanced in U.S. Dollars: a rate equal to LIBOR *plus [commercially sensitive information redacted]*% *per annum*;"

- (e) The definition of "**LIBOR**" in Section 1.74A (LIBOR) is deleted and replaced with:

**"1.74A       "LIBOR"**

"**LIBOR**" shall mean, for any day, the interest rate *per annum* for U.S. Dollar deposits determined by the Agent for the purpose of calculating the effective interest rate for loans that reference LIBOR as the London Inter-Bank Market Offered Rate in effect from time to time (or a comparable or successor rate which rate is approved by the Agent) for the 3 month delivery of funds in amounts approximately equal to the principal amount of such loans (and, if any such rate is below zero, then the rate determined shall be deemed to be zero). The Borrowers understand and agree that the Agent may base its determination of the London Inter-Bank Market Offered Rate upon such offers or other market indicators of the London Inter-Bank Market as the Agent in its sole discretion deems appropriate, including but not limited to the rate offered for U.S. Dollar deposits on the London Inter-Bank Market or the rate published by ICE Benchmark Administration Limited (or any successor page or other commercially available source as the Agent may designate from time to time). When interest is determined in relation to LIBOR, each change in the interest rate shall become effective each Business Day that the Agent determines that LIBOR has changed."

- (f) The definition of "**Loans**" in Section 1.76 is deleted and replaced with:

**"1.76            "Loans"**

"**Loans**" shall mean the Revolving Loans, Fixed Asset Term Loan and Capex Term Loans."

- (g) The definitions of "**Machinery & Equipment Term Loan**", "**Machinery & Equipment Term Loan Commitment**" and "**Machinery & Equipment Term Loan Maximum Limit**" in Sections 1.76A, 1.76B and 1.76C, respectively, are deleted.

- (h) The definition of "**Maturity Date**" in Section 1.78 (Maturity Date) is deleted and replaced with:

**"1.78            "Maturity Date"**

"**Maturity Date**" shall mean the earlier of (a) demand for payment under Section 9.2 hereof and (b) July 1, 2023."

- (i) The definition of "**Maximum Credit**" in Section 1.79 is deleted and replaced with:

**"1.79            "Maximum Credit"**

"**Maximum Credit**" shall mean the amount of \$80,000,000 or the Equivalent Amount in U.S. Dollars."

- (j) The definition of "**Maximum Revolving Credit**" in Section 1.80 is deleted and replaced with:

**"1.80            "Maximum Revolving Credit"**

"**Maximum Revolving Credit**" shall mean \$60,000,000 or the Equivalent Amount in U.S. Dollars."

- (k) The definition of "**Net Orderly Liquidation Value**" in Section 1.84 is amended by inserting "or Eligible Equipment", as the case may be" after each case of "Inventory" therein.

- (l) The definition of "**Pro Rata Share**" in Section 1.91 is amended by deleting clauses (e) through (i) therein and replacing them with:

"(e) with respect to the Fixed Asset Term Loan prior to the advance thereof, the percentage obtained by dividing (i) the Fixed Asset Term Loan Commitment of that Canadian Lender by (ii) the aggregate Fixed Asset Term Loan Commitments of all Canadian Lenders;

(f) with respect to the Fixed Asset Term Loan after the advance thereof, the percentage obtained by dividing (i) the outstanding principal balance of the

Fixed Asset Term Loan held by that Canadian Lender by (ii) the outstanding principal balance of the Fixed Asset Term Loan held by all Canadian Lenders;

- (g) with respect to the Canadian Capex Term Loans, the percentage obtained by dividing (i) the Capex Term Loan Commitment of that Canadian Lender by (ii) the aggregate Capex Term Loan Commitments of all Canadian Lenders;
  - (h) with respect to the Canadian Capex Term Loans on and after the Maturity Date, the percentage obtained by dividing (i) the outstanding principal balance of the Canadian Capex Term Loans held by that Canadian Lender by (ii) the outstanding principal balance of the Canadian Capex Term Loans held by all Canadian Lenders;
  - (i) with respect to the U.S. Capex Term Loans, the percentage obtained by dividing (i) the Capex Term Loan Commitment of that U.S. Lender by (ii) the aggregate Capex Term Loan Commitments of all U.S. Lenders;
  - (j) with respect to the U.S. Capex Term Loans on and after the Maturity Date, the percentage obtained by dividing (i) the outstanding principal balance of the U.S. Capex Term Loans held by that U.S. Lender by (ii) the outstanding principal balance of the U.S. Capex Term Loans held by all U.S. Lenders; and
  - (k) with respect to all Loans on and after the Maturity Date, the percentage obtained by dividing (i) the principal balance of the Loans held by that Lender by (ii) the outstanding principal balance of the Loans held by all Lenders."
- (m) Section 2.1(d) (Revolving Loans) is deleted and replaced with:
- "(d) Except in the Agent's discretion, (i) the aggregate amount of the Revolving Loans and the Letter of Credit Accommodations outstanding at any time shall not exceed the Maximum Revolving Credit; (ii) the aggregate amount of the Revolving Loans, the Letter of Credit Accommodations, the Fixed Asset Term Loan and the Capex Term Loans outstanding at any time shall not exceed the Maximum Credit; (iii) the sub-limit for Eligible Inventory in the Canadian Borrowing Base and U.S. Borrowing Base on a combined basis shall be *[value redacted]*; (iv) the sub-limit for Eligible Inventory consisting of work-in-process in the Canadian Borrowing Base and the U.S. Borrowing Base on a combined basis shall be *[value redacted]*, (v) the amount of the Fixed Asset Term Loan outstanding at any time shall not exceed the Fixed Asset Term Loan Maximum Limit; and (vi) the aggregate amount of the Capex Term Loans outstanding at any time shall not exceed the Capex Term Loan Maximum Limit. In the event that the outstanding amount of any component of the Loans, the aggregate amount of the outstanding Revolving Loans and Letter of Credit Accommodations or the aggregate amount of the

Fixed Asset Term Loan or Capex Term Loans exceed the amounts available under the lending formulas, the sub-limits for Letter of Credit Accommodations set forth in Section 2.2(e) hereof, the Maximum Revolving Credit, the Maximum Credit, the Fixed Asset Term Loan Maximum Limit or the Capex Term Loan Maximum Limit, as applicable, such event shall not limit, waive or otherwise affect any rights of the Agent in that circumstance or on any future occasions and the Borrowers shall, upon demand by the Agent, which may be made at any time or from time to time, immediately repay to the Agent the entire amount of any such excess(es) for which payment is demanded."

- (n) Section 2.2(b) (Letter of Credit Accommodations) is amended by deleting *[commercially sensitive information redacted]* on the fourth (4<sup>th</sup>) line therein and replacing it with *[commercially sensitive information redacted]*.
- (o) The outstanding Real Estate Term Loan on July 1, 2018 will become part of the outstanding Fixed Asset Term Loan on July 1, 2018 and thereafter Section 2.5 (Real Estate Term Loan) is deleted and replaced with "Intentionally Deleted."
- (p) Section 2.6 (Machinery & Equipment Term Loan) is deleted and replaced with:

**"2.6      "Fixed Asset Term Loan"**

- "(a) Subject to and upon the terms and conditions contained herein, each of the Canadian Lenders severally (and not jointly) agrees to make its Pro Rata Share of the Fixed Asset Term Loan by way of CDOR Rate Loan to the Canadian Borrower in one (1) advance on July 1, 2018 in the amount of \$10,000,000 Canadian Dollars and in the original principal amount not to exceed the Canadian Dollar Amount of the lesser of (i) *[percentage redacted]* of the Net Orderly Liquidation Value of the Eligible Equipment (plus the Real Estate Lending Value), (ii) *[percentage redacted]* of the Net Forced Liquidation Value of the Eligible Equipment (plus the Real Estate Lending Value) and (iii) \$10,000,000 (the lesser of such amount, the "**Fixed Asset Term Loan Maximum Limit**"). *[confidential information redacted]*.
- (b) The Fixed Asset Term Loan shall be:
  - (i) repaid, together with interest and other amounts, in accordance with this Agreement and the other Financing Agreements; and
  - (ii) secured by all of the Collateral.
- (c) The Canadian Borrower shall make monthly payments of principal of *[amount redacted]* per month on the Fixed Asset Term Loan to the Agent, for the account of the Canadian Lenders based on their respective Pro Rata Share, on the 1<sup>st</sup> Business Day of each month commencing on September 1, 2018 and ending on the Maturity Date in an amount sufficient to amortize

the full amount of the Fixed Asset Term Loan over a period of *[confidential information redacted]* months. On the Maturity Date, the remaining unamortized balance of the Fixed Asset Term Loan together with all accrued and unpaid interest thereon shall be due and be payable to the Agent, for the account of the Canadian Lenders based on their respective Pro Rata Share.

- (d) The Fixed Asset Term Loan may be prepaid in whole or in part, in the minimum amount of *[amount redacted]* and increments of *[amount redacted]* at any time and from time to time without penalty provided no Default or Event of Default has occurred and is continuing or could be expected to occur as a result of making such prepayment on two (2) Business Days prior written notice to the Agent. Any prepayment received will be applied against scheduled payments in reverse order of maturity.
- (e) If, as determined by the Acceptable Appraisal, the principal amount of the Fixed Asset Term Loan exceeds the Fixed Asset Term Loan Maximum Limit, the Canadian Borrower shall pay the amount of such excess to the Agent as a reduction of principal of the Fixed Asset Term Loan on demand by the Agent.
- (f) *[section redacted – confidential information]*
- (q) The following new Section 2.7 (Capex Term Loans) is inserted after Section 2.6 (Fixed Asset Term Loan):

**"Section 2.7 Capex Term Loans**

- (a) Subject to and upon the terms and conditions contained herein, each of the Lenders severally (and not jointly) agrees to make its Pro Rata Share of the Capex Term Loans by way of CDOR Rate Loans to the Canadian Borrower and LIBOR Loans to the Borrowers from time to time in amounts requested by the Borrowers not to exceed the Canadian Dollar Amount of *[confidential information redacted]* and (ii) \$10,000,000 (the "**Capex Term Loan Maximum Limit**").
- (b) The Capex Term Loans shall be:
  - (i) repaid, together with interest and other amounts, in accordance with this Agreement and the other Financing Agreements; and
  - (ii) secured by all of the Collateral.
- (c) The Borrower shall make monthly payments of principal on each Capex Term Loan on the 1<sup>st</sup> Business Day of each month after the date of advance thereof and ending on the Maturity Date in an amount sufficient to amortize the full amount of the applicable Capex Term Loan over a period *[confidential information redacted]* months. On the Maturity Date, the remaining unamortized balance of the Capex Term Loans together with all accrued and unpaid interest thereon shall be due and be payable to the Agent, for the account of the Lenders based on their respective Pro Rata Share.

- (d) The Capex Term Loan may be prepaid in whole or in part, in the minimum amount of [amount redacted] or U.S. [amount redacted], as the case may be, and increments of [amount redacted] or U.S.[amount redacted], as the case may be, at any time and from time to time without penalty provided no Default or Event of Default has occurred and is continuing or could be expected to occur as a result of making such prepayment on two (2) Business Days prior written notice to the Agent. Any prepayment received will be applied against scheduled payments in reverse order of maturity.
- (e) If, as determined by the Acceptable Appraisal, the principal amount of the Capex Term Loans exceeds the Capex Term Loan Maximum Limit, the Borrowers shall pay the amount of such excess to the Agent as a reduction of principal of the Capex Term Loans on demand by the Agent."
- (r) Section 3.1(c) (Interest) is amended by adding the following to the end thereof:

"Each of the Borrowers and Guarantors confirm that it fully understands and is able to calculate the rate of interest applicable to each of the Loans based on the methodology for calculating *per annum* rates provided for in this Agreement. The Agent agrees that if requested in writing by the Borrowers it shall calculate the nominal and effective *per annum* rate of interest on any Loan outstanding at any time and provide such information to the Borrowers promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve the Borrowers or the Guarantors of any of their obligations under this Agreement or any other Financing Agreements, nor result in any liability of the Agent or any Lender. Each Borrower and Guarantor hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to the Financing Agreements, that the interest payable under the Financing Agreements and the calculation thereof has not been adequately disclosed to the Borrowers and the Guarantors, whether pursuant to Section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle."

- (s) Section 3.3 (Servicing Fee) is amended by [*confidential information redacted*]
- (t) The following new Section 3.1(g) is inserted after Section 3.1(f) (Interest):

"(g) Notwithstanding anything to the contrary in this Agreement, if the Agent has made the determination (such determination to be conclusive absent manifest error) that (i) any applicable interest rate specified herein is illegal or no longer a widely recognized benchmark rate for loans in the U.S. and Canadian loan market in the applicable currency or (ii) the applicable supervisor or administrator (if any) of any applicable interest rate specified herein or any Governmental Authority having, or purporting to have, jurisdiction over the Agent has made a public statement identifying a specific date after which any applicable interest rate specified herein shall no longer be used for determining interest rates for loans in the U.S. or Canadian loan market in the applicable currency, then the Agent may, to the extent practicable (with the consent of the Borrowers and as determined by the

Agent to be generally in accordance with similar situations in other transactions in which it is serving as administrative or collateral agent or otherwise consistent with market practice generally), establish a replacement interest rate (the "**Replacement Rate**"), in which case, the Replacement Rate shall replace such applicable interest rate for all purposes under the Financing Agreements. In connection with the establishment and application of the Replacement Rate, this Agreement and the other Financing Agreements shall be amended solely with the consent of the Agent and the Borrowers, as may be necessary or appropriate, in the opinion of the Agent, to effect the provisions of this clause (g). Notwithstanding anything to the contrary in this Agreement or the other Financing Agreements, such amendment shall become effective without any further action or consent of any other party to this Agreement. To the extent the Replacement Rate is approved by the Agent and the Borrowers in connection with this clause (g), the Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Agent (it being understood that any such modification by the Agent shall not require the consent of, or consultation with, any Lenders)."

(u) Section 5.3(a) (Collection of Accounts) is deleted and replaced with:

"(a) Each of the Borrowers shall establish and maintain, at its expense, blocked accounts or lockboxes and related blocked accounts (in either case, "**Blocked Accounts**"), as the Agent may, from time to time, specify, and the Agent may establish and maintain bank accounts of the Agent ("**Payment Accounts**"), in each case with such banks as are acceptable to the Agent into which the Borrowers shall, in accordance with the Agent's instructions, promptly deposit, and direct its account debtors that remit payments by electronic funds transfers to directly remit, all payments on Accounts and all payments constituting proceeds of Inventory or other Collateral in the identical form in which such payments are made, whether by cash, cheque or other manner. The banks at which the Blocked Accounts are established shall enter into an agreement (each, a "**Blocked Account Agreement**"), in form and substance satisfactory to the Agent, providing that all items received or deposited in the Blocked Accounts are the property of the Agent, that the depository bank has no Encumbrance upon, or right to set-off against the Blocked Accounts, the items received for deposit therein, or the funds from time to time on deposit therein and that, upon receiving a springing blocked account notice trigger in writing from the Agent after Total Excess Availability is below [*amount redacted*] for a period of more than three (3) consecutive Business Days, the depository bank will wire, or otherwise transfer, in immediately available funds, on a daily basis, all funds received or deposited into the Blocked Accounts to the Payment Accounts or such other bank account of the Agent as the Agent may from time to time designate for such purpose. The Borrowers agrees that all payments made

to such Blocked Accounts or Payment Accounts or other funds received and collected by the Agent, whether on the Accounts or as proceeds of Inventory or other Collateral or otherwise, shall be the property of the Agent."

- (v) Section 5.6(a) is amended by deleting "Revolving" therein.
  - (w) Section 6.4 (Equipment and Real Property Covenants) is amended by deleting the last sentence therein and deleting clause (a) therein and replacing it with:
    - "(a) upon the Agent's request, the Borrowers shall, at their expense, no more than one (1) time in any calendar year, but at any time or times as the Agent may request on or after a Default or Event of Default has occurred and is continuing, deliver or cause to be delivered to the Agent written reports or appraisals as to the Equipment and Eligible Real Property in form, scope and methodology acceptable to the Agent and by an appraiser acceptable to the Agent addressed to the Agent or upon which the Agent is expressly permitted to rely; provided that the Borrower shall not be required to reimburse the Agent for the expense of such an annual appraisal of the Eligible Real Property if a Default or Event of Default has not occurred and is not continuing and the Agent is not then relying on any Real Estate Lending Value to support and cover the Fixed Asset Term Loan Maximum Limit or Capex Term Loan Maximum Limit;"
  - (x) *[section redacted – confidential information]*
  - (y) Agent and each Lender hereby designate the address set forth beside its signature below as its new address for notice pursuant to Section 13.2 of the Credit Agreement.
2. Representations/Warranties. Each Borrower and Guarantor represents and warrants to the Agent and the Lenders as follows, which representations and warranties shall survive the execution and delivery of this Agreement:
- (a) all of the representations and warranties in the Credit Agreement and the other Financing Agreements are true and correct as of the date hereof;
  - (b) each of the Borrowers and the Guarantors is in compliance with all the covenants contained in the Credit Agreement and the other Financing Agreements;
  - (c) no Default or Event of Default exists or is continuing;
  - (d) the execution, delivery and performance of this Agreement and the transactions contemplated hereunder are all within its corporate powers, have been duly authorized and are not in contravention of law or the terms of its certificate of incorporation, by-laws or other organizational documentation, or any indenture, agreement or undertaking to which it is a party or by which its property is bound;
  - (e) it has duly executed and delivery this Agreement; and

(f) this Agreement constitutes its legal, valid and binding obligation, enforceable against it by the Agent and the Lenders in accordance with its terms.

3. Continuation of Credit Agreement. The Credit Agreement and the other Financing Agreements shall continue in full force and effect and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for herein. This Agreement is an amendment to the Credit Agreement. Unless the context of this Agreement otherwise requires, the Credit Agreement and this Agreement shall be read together and shall have effect as if the provisions of the Credit Agreement and this Agreement were contained in one agreement. The term "Agreement" when used in the Credit Agreement means the Credit Agreement as amended by this Agreement, together with all amendments, modifications, supplements, extensions, renewals, restatements and replacements thereof from time to time. Nothing in this Agreement, nor in the Credit Agreement when read together with this Agreement, shall constitute a novation, payment, re-advance or reduction or termination in respect of any Obligations.
4. Acknowledgement of Existing Security and Guarantees. It is agreed and confirmed that after giving effect to this Agreement, all security and guarantees delivered by the Borrowers and the Guarantors secures the payment and performance of all of the Obligations including, without limitation, the obligations, liabilities and indebtedness arising under the Credit Agreement.
5. Closing Fee. Canadian Borrower shall pay to Agent as a closing fee the amount of [*amount redacted*], which shall be fully earned as of and payable on the date hereof.
6. Expenses. The Borrowers and the Guarantors agree to pay all reasonable legal fees, expenses and disbursements incurred by the Agent and the Lenders in connection with the preparation, negotiation, completion, execution, delivery, review and enforcement of this Agreement, and all other documents and instruments arising therefrom and/or executed in connection therewith.
7. Governing Law. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein (without giving effect to principles of conflicts of law).
8. Successors and Assigns. This Agreement is binding on the successors and assigns of the parties hereto and may be relied upon by the parties hereto and their respective successors and assigns.
9. Counterparts. This Agreement may be executed in any number of fax, pdf or original counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.
10. Further Assurances. At the request of the Agent from time to time, each Borrower and Guarantor shall duly execute and deliver, or cause to be duly executed and delivered, such further agreements, documents and instruments, and do or cause to be done such further acts, as may be necessary or proper to effectuate the provisions or purposes of this Agreement.

11. Financing Agreement. This is Agreement is a Financing Agreement.
12. If the foregoing correctly sets out our agreement, please indicate your acceptance of this Agreement by signing below and returning an executed copy to us by no later than 5:00 p.m. EST on July 1 , 2018 (the "**Effective Time**"). If not accepted by you before the Effective Time, this Agreement shall be null and void.

[Signature page follows]

We trust the foregoing is satisfactory.

Yours very truly,

**WELLS FARGO CAPITAL FINANCE  
CORPORATION CANADA, as Agent and  
Canadian Lender**

By: (signed) "Carmela Massari"  
Name: Carmela Massari  
Title: Senior Vice-President, Portfolio Manager

Address: [redacted]

**WELLS FARGO CAPITAL FINANCE, LLC,  
as U.S. Lender**

By: (signed) "Carmela Massari"  
Name: Carmela Massari  
Title: Senior Vice-President, Portfolio Manager

Address: [redacted]

Acknowledged and agreed this 1<sup>st</sup> day of July, 2018.

**TREE ISLAND INDUSTRIES LTD.**

By: (signed) "Dale R. MacLean"  
Name: Dale R. MacLean  
Title: CEO and President

By: (signed) "Nancy Davies"  
Name: Nancy Davies  
Title: CFO and VP Finance

**TREE ISLAND STEEL LTD.**

By: (signed) "Dale R. MacLean"  
Name: Dale R. MacLean  
Title: CEO and President

By: (signed) "Nancy Davies"  
Name: Nancy Davies  
Title: CFO and VP Finance

**TREE ISLAND WIRE (USA), INC.**

By: (signed) "Dale R. MacLean"  
Name: Dale R. MacLean  
Title: CEO and President

By: (signed) "Nancy Davies"  
Name: Nancy Davies  
Title: CFO and VP Finance

**TREE ISLAND WIRE HOLDINGS (USA),  
INC.**

By: (signed) "Dale R. MacLean"  
Name: Dale R. MacLean  
Title: CEO and President

By: (signed) "Nancy Davies"  
Name: Nancy Davies  
Title: CFO and VP Finance

**Exhibit "A"**  
**Information Certificates**

*[Redacted – contained commercially sensitive information]*

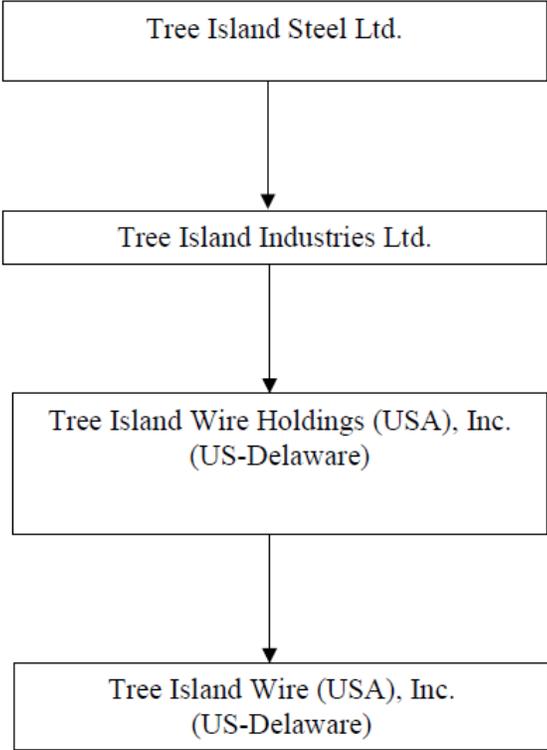
**Schedule 1.36  
Commitments**

Lender	Canadian Revolving Loan Commitment	U.S. Revolving Loan Commitment	Fixed Asset Term Loan Commitment	Capex Term Loan Commitment
Wells Fargo Capital Finance Corporation Canada	\$60,000,000	Nil	\$10,000,0000	\$10,000,000
Wells Fargo Capital Finance, LLC	Nil	Equivalent Amount in U.S. Dollars of \$60,000,000	Nil	Equivalent Amount in U.S. Dollars of \$10,000,000

**Schedule 6.1**  
**Form of Borrowing Base Certificate**

*[Redacted – contained commercially sensitive and confidential information of the method of calculating the borrowing base]*

**Schedule 7.1  
Corporate Structure Chart**



**Schedule 7.4**  
**Existing Encumbrances**

*[Redacted - commercially sensitive and confidential information]*

**Schedule 7.8**  
**Bank Accounts**

*[Redacted – confidential bank account information]*

**Schedule 7.11(e)**  
**Environmental Disclosure**

*[Redacted – confidential detailed information on historical environmental matters]*

**Schedule 8.9**  
**Existing Indebtedness**

*[Redacted – confidential intercompany loans]*

**Schedule 8.10**  
**Existing Loans, Advances and Guarantees**

*[Redacted - confidential intercorporate information]*

**Schedule 10.1(a)(iv)**  
**Form of Assignment Agreement**

This Assignment Agreement (this "**Agreement**") is made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between [•] ("**Assignor Lender**") and [•] ("**Assignee Lender**") and acknowledged and consented to by **WELLS FARGO CAPITAL FINANCE CORPORATION CANADA** as agent ("**Agent**") [and **Tree Island Industries Ltd. and Tree Island Wire (USA), Inc. (the "Borrowers")**]. [NTD: **Borrowers' consent not required if an Event of Default has occurred and is continuing or if assignment is to an Eligible Transferee.**]. All capitalized terms used in this Agreement and not otherwise defined herein have the respective meanings set forth in the Credit Agreement (as defined below).

**WITNESSETH**

**WHEREAS**, Agent and Lenders entered into certain financing arrangements with Tree Island Industries Ltd., a British Columbia corporation (the "**Canadian Borrower**") and Tree Island Wire (USA), Inc., a Delaware corporation (the "**U.S. Borrower**", collectively with the Canadian Borrower, the "**Borrowers**"), and their Affiliates as set out in the Second Amended and Restated Credit Agreement dated as of April 21, 2014, between the Borrowers, Tree Island Steel Ltd., a Canadian federal corporation, Tree Island Wire Holdings (USA), Inc., a Delaware corporation, the Canadian Lenders signatory thereto from time to time (the "**Canadian Lenders**"), the U.S. Lenders signatory thereto from time to time (the "**U.S. Lenders**"; collectively with the Canadian Lenders, the "**Lenders**") and Agent (as amended, modified, supplemented, extended, renewed, restated or replaced from time to time, the "**Credit Agreement**");

**WHEREAS**, Assignor Lender desires to assign to Assignee Lender [all/a portion] of its interest in the [Revolving Loans] [Capex Term Loans] [Fixed Asset Term Loan] and the Collateral and to assign and delegate to Assignee Lender [all/a portion] of its [Canadian/U.S. Revolving Loan] [Capex Term Loan] [Fixed Asset Term Loan] Commitment and other duties with respect to the [Revolving Loans] [Capex Term Loans] [Fixed Asset Term Loan];

**WHEREAS**, Assignee Lender desires to become a Lender under the Credit Agreement and to accept such assignment and delegation from Assignor Lender; and

**WHEREAS**, Assignee Lender desires to appoint Agent to serve as Agent for Assignee Lender under the Credit Agreement.

**FOR VALUE RECEIVED**, Assignor Lender and Assignee Lender agree as follows:

**ARTICLE 1 ASSIGNMENT, DELEGATION AND ACCEPTANCE**

**1.1 Assignment**

Assignor Lender hereby transfers and assigns to Assignee Lender, without recourse and without representations or warranties of any kind (except as set forth in Section 3.2 hereof), the following amount of the [Revolving Loans] [Capex Term Loans] [Fixed Asset Term Loan], owned by

Assignor Lender as will result in Assignee Lender having, as of the Effective Date (as hereinafter defined), a Pro Rata Share, as follows:

- (a) **Principal amount of Revolving Loans to be Assigned = [\$•]**
- (b) **Principal amount of Capex Term Loans to be Assigned = [\$•]**
- (c) **Principal amount of Fixed Asset Term Loan to be Assigned = [\$•]**
- (d) **Pro Rata Share of Assignor Lender as of the Effective Date = [\$•]**
- (e) **Pro Rata Share of Assignee Lender as of the Effective Date = [\$•]**

## **1.2 Delegation**

Assignor Lender hereby irrevocably assigns and delegates to Assignee Lender [all/a portion] of its [Canadian/U.S. Revolving Loan] [Capex Term Loan] [Fixed Asset Term Loan] Commitment and its other duties and obligations as a Lender under the Financing Agreements equivalent to [100%/[•]%] of Assignor Lender's [Canadian/U.S. Revolving Loan] [Capex Term Loan] [Fixed Asset Term Loan] Commitment (such percentage representing a [Canadian/U.S. Revolving Loan] [Capex Term Loan] [Fixed Asset Term Loan] Commitment of \$[•]).

## **1.3 Acceptance by Assignee**

By its execution of this Agreement, Assignee Lender hereby irrevocably purchases, assumes and accepts such assignment and delegation and agrees to be a Lender with respect to the assigned and delegated interest under the Financing Agreements and to be bound by the terms and conditions thereof. By its execution of this Agreement, Assignor Lender agrees, to the extent provided herein, to relinquish its rights and be released from its obligations and duties under the Financing Agreements.

## **1.4 Effective Date**

Such assignment and delegation by Assignor Lender and acceptance by Assignee Lender will be effective, and Assignee Lender will become a Lender under the Financing Agreements as of the date of this Agreement ("**Effective Date**") and upon payment of the Assigned Amount and the Assignment Fee (as each term is defined below). Applicable interest and fees accrued with respect to the amounts and commitments assigned hereunder prior to the Effective Date are for the account of Assignor Lender, and applicable interest and fees accrued with respect to the amounts and commitments assigned hereunder from and after the Effective Date are for the account of Assignee Lender.

## **ARTICLE 2 INITIAL PAYMENT**

### **2.1 Payment of the Assigned Amount**

Assignee Lender will pay to Assignor Lender, for value not later than 12:00 noon on the Effective Date, an amount equal to [\$•], as set forth above in Section 1.1 (the "**Assigned Amount**").

## 2.2 Payment of Assignment Fee

[Assignor Lender and/or Assignee Lender] will pay to Agent, for its own account, for value not later than 12:00 noon on the Effective Date, the assignment fee in the amount of U.S. [amount redacted] (the "Assignment Fee"), as required pursuant to Section 10.1(a)(vi) of the Credit Agreement.

## ARTICLE 3 REPRESENTATIONS, WARRANTIES AND COVENANTS

### 3.1 Assignee Lender's Representations, Warranties and Covenants

Assignee Lender hereby represents, warrants, and covenants to Assignor Lender and Agent the following:

- (a) this Agreement is a legal, valid, and binding agreement of Assignee Lender, enforceable against Assignee Lender according to its terms;
- (b) the execution and performance by Assignee Lender of its duties and obligations under this Agreement and the Financing Agreements will not require any registration with, notice to, or consent or approval by any governmental authority;
- (c) Assignee Lender has full power and authority, and has taken all action necessary, to execute and deliver this Agreement and to fulfill its obligations hereunder and to consummate the transactions contemplated hereby;
- (d) Assignee Lender is familiar with transactions of the kind and scope reflected in the Financing Agreements and in this Agreement;
- (e) Assignee Lender has made its own independent investigation and appraisal of the financial condition and affairs of Borrowers and Guarantors, has conducted its own evaluation of the **[Revolving Loans]** **[Capex Term Loans]** **[Fixed Asset Term Loan]**, the Financing Agreements and Borrower's creditworthiness, has made its decision to become a Lender to Borrowers under the Credit Agreement independently and without reliance upon Assignor Lender or Agent, and will continue to do so;
- (f) Assignee Lender is entering into this Agreement in the ordinary course of its business, and is acquiring its interest in the **[Revolving Loans]** **[Capex Term Loans]** **[Fixed Asset Term Loan]** and a **[Canadian/U.S. Revolving Loan]** **[Capex Term Loan]** **[Fixed Asset Term Loan]** Commitment for its own account, for investment purposes and not with a view to or for sale in connection with any subsequent distribution; provided, however, that at all times the distribution of Assignee Lender's property shall, subject to the terms of the Credit Agreement, be and remain within its control;
- (g) as of the Effective Date, Assignee Lender, is not subject to any withholding as anticipated by Section 5.4(b) of the Credit Agreement, and Assignee Lender will indemnify Agent from and against all liabilities, obligations, losses, damages,

penalties, actions, judgments, suits, costs, or expenses that result from any inaccuracy in the foregoing; and

- (h) as of the Effective Date, Assignee Lender is not a Prohibited Transferee.

**[NOTE: The reps in clauses (g) and (h) should be deleted in the event this form is used to effect an actual assignment at a time when an Event of Default has occurred and is continuing under the Credit Agreement.]**

### **3.2 Assignor Lender's Representations, Warranties and Covenants**

Assignor Lender hereby represents, warrants and covenants to Assignee Lender the following:

- (a) this Agreement is a legal, valid, and binding agreement of Assignor Lender, enforceable against Assignor Lender according to its terms;
- (b) Assignor Lender has full power and authority, and has taken all action necessary, to execute and deliver this Agreement and to fulfil its obligations hereunder and to consummate the transactions contemplated hereby; and
- (c) Assignor Lender is the legal and beneficial owner of the interests being assigned hereby, free and clear of any adverse claim, lien, encumbrance, security interest, restriction on transfer, purchase option, call or similar right of a third party.

### **ARTICLE 4 LIMITATIONS OF LIABILITY**

Neither Assignor Lender (except as provided in Section 3.2 hereof) nor Agent makes any representations or warranties of any kind, nor assumes any responsibility or liability whatsoever, with regard to (a) the Financing Agreements or any other document or instrument furnished pursuant thereto or the **[Revolving Loans] [Capex Term Loans] [Fixed Asset Term Loan]** or the **[Canadian/U.S. Revolving Loan] [Capex Term Loan] [Fixed Asset Term Loan]** Commitment or other Obligations, (b) the creation, validity, genuineness, enforceability, sufficiency, value or collectability of any of them, (c) the amount, value or existence of the Collateral, (d) the perfection or priority of any lien upon the Collateral, or (e) the financial condition of Borrowers or Guarantors or the performance or observance by Borrowers or Guarantors of their respective obligations under any of the Financing Agreements. Neither Assignor Lender nor Agent has or will have any duty, either initially or on a continuing basis, to make any investigation, evaluation, appraisal of, or any responsibility or liability with respect to the accuracy or completeness of, any information provided to Assignee Lender which has been provided to Assignor Lender or Agent by Borrowers or any Guarantor. Nothing in this Agreement or in the Financing Agreements shall impose upon Assignor Lender or Agent any fiduciary relationship in respect of Assignee Lender,

### **ARTICLE 5 FAILURE TO ENFORCE**

No failure or delay on the part of Agent, Assignor Lender or Assignee Lender in the exercise of any power, right, or privilege hereunder or under any Financing Agreement will impair such power, right, or privilege or be construed to be a waiver of any default or acquiescence therein. No

single or partial exercise of any such power, right, or privilege will preclude further exercise thereof or of any other right, power, or privilege. All rights and remedies existing under this Agreement are cumulative with, and not exclusive of, any rights or remedies otherwise available.

**ARTICLE 6 NOTICES**

Unless otherwise specifically provided herein, any notice or other communication required or permitted to be given will be in writing and addressed to the respective party as set forth below its signature hereunder, or to such other address as the party may designate in writing to the other and deemed given in accordance with Section 13.2 of the Credit Agreement.

**ARTICLE 7 AMENDMENTS AND WAIVERS**

No amendment, modification, termination, or waiver of any provision of this Agreement will be effective without the written concurrence of Assignor Lender, Agent and Assignee Lender.

**ARTICLE 8 SEVERABILITY**

Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law. In the event any provision of this Agreement is or is held to be invalid, illegal, or unenforceable under applicable law, such provision will be ineffective only to the extent of such invalidity, illegality, or unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Agreement. In addition, in the event of any provision of or obligation under this Agreement is or is held to be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations in any other jurisdictions will not in any way be affected or impaired thereby.

**ARTICLE 9 SECTION TITLES**

Section and subsection titles in this Agreement are included for convenience of reference only, do not constitute a part of this Agreement for any other purpose, and have no substantive effect.

**ARTICLE 10 SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**ARTICLE 11 APPLICABLE LAW**

This Agreement will be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

**ARTICLE 12 COUNTERPARTS**

This Agreement may be executed in any number of original, fax or pdf counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, will be deemed an original and all of which shall together constitute one and the same instrument.

[Signature page follows.]

**IN WITNESS WHEREOF**, this Agreement has been duly executed as of the date first written above.

**[NAME OF ASSIGNEE LENDER]**

**[NAME OF ASSIGNOR LENDER]**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Notice Address:  
[address redacted]

Notice Address:  
[address redacted]

**[NOTE: Borrowers' consent not required if an Event of Default has occurred and is continuing or if assignment is to an Eligible Transferee.]**

ACKNOWLEDGED AND CONSENTED TO:

ACKNOWLEDGED AND CONSENTED TO:

**WELLS FARGO CAPITAL FINANCE CORPORATION CANADA, as Agent**

**TREE ISLAND INDUSTRIES LTD.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Chief Executive Office:  
[address redacted]

Chief Executive Office:  
[address redacted]

ACKNOWLEDGED AND CONSENTED TO:

**TREE ISLAND WIRE (USA) INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

Chief Executive Office:  
[address redacted]