"Green For Life, Red For Losses"

/ STRONG SELL OPINION /

GFL Environmental Inc. | NYSE/TSX : GFL/GFLU

SPRUCE POINT
CAPITAL MANAGEMENT

INVESTMENT RESEARCH REPORT

Full Legal Disclaimer

This research presentation expresses our research opinions. You should assume that as of the publication date of any presentation, report or letter, Spruce Point Capital Management LLC (possibly along with or through our members, partners, affiliates, employees, and/or consultants) along with our and clients has a short position in (and are long/short combinations of puts and calls on the stock) GFL Environmental Inc. (“GFL” and “GFLU”), and therefore stand to realize significant gains in the event that the price of its stock declines. You should further assume that Spruce Point Capital Management LLC (possibly along with or through our members, partners, affiliates, employees, and/or consultants) along with our and clients has a long position in all other environmental and waste management stocks (and are long/short combinations of calls and puts on the stock) covered herein, including without limitation Waste Management, Inc. and therefore stand to realize significant gains in the event that the price of its stock increases.

Following publication of any presentation, report or letter, we intend to continue transacting in the securities covered therein, and we may be long, short, or neutral at any time hereafter regardless of our initial recommendation. All expressions of opinion are subject to change without notice, and Spruce Point Capital Management does not undertake to update this report or any information contained herein. Spruce Point Capital Management, subscribers and/or consultants shall have no obligation to inform any investor or viewer of this report about their historical, current, and future trading activities.

This research presentation expresses our research opinions, which we have based upon interpretation of certain facts, observations, and interviews all of which are based upon publicly available information, and all of which are set out in this research presentation. Any investment involves substantial risks, including complete loss of capital. Any forecasts or estimates are for illustrative purpose only and should not be taken as limitations of the maximum possible loss or gain. Any information contained in this report may include forward looking statements, expectations, pro forma analyses, estimates, and projections. You should assume these types of statements, expectations, pro forma analyses, estimates, and projections may turn out to be incorrect for reasons beyond Spruce Point Capital Management LLC’s control. This is not investment or accounting advice nor should it be construed as such. Use of Spruce Point Capital Management LLC’s research is at your own risk. You should do your own research and due diligence, with assistance from professional financial, legal and tax experts, before making any investment decision with respect to securities covered herein. All figures assumed to be in US Dollars, unless specified otherwise.

To the best of our ability and belief, as of the date hereof, all information contained herein is accurate and reliable and does not omit to state material facts necessary to make the statements herein not misleading, and all information has been obtained from public sources we believe to be accurate and reliable, and who are not insiders or connected persons of the stock covered herein or who may otherwise owe any fiduciary duty or duty of confidentiality to the issuer, or to any other person or entity that was breached by the transmission of information to Spruce Point Capital Management LLC. However, Spruce Point Capital Management LLC recognizes that there may be non-public information in the possession of GFL or other insiders of GFL that has not been publicly disclosed by GFL. Therefore, such information contained herein is presented “as is,” without warranty of any kind – whether express or implied. Spruce Point Capital Management LLC makes no other representations, express or implied, as to the accuracy, timeliness, or completeness of any such information or with regard to the results to be obtained from its use. You should assume all statements made are our opinions, unless sourced as facts where practical.

This report’s estimated fundamental value only represents a best efforts estimate of the potential fundamental valuation of a specific security, and is not expressed as, or implied as, assessments of the quality of a security, a summary of past performance, or an actionable investment strategy for an investor. This is not an offer to sell or a solicitation of an offer to Buy any security, nor shall any security be offered or sold to any person, in any jurisdiction in which such offer would be unlawful under the securities laws of such jurisdiction. Spruce Point Capital Management LLC is registered as an investment advisor with the SEC. Spruce Point Capital Management LLC is not registered as a broker/dealer or accounting firm.

Spruce Point Has Succeeded In Canadian Shareholder Activism

Spruce Point has written four recent critical activist reports in Canada. In a majority of the cases, the share price collapse has met or exceeded our downside estimate of intrinsic value. The avg. share price decline is 77%. A common theme is that Canadian analysts don't ask difficult questions of management, challenge assumptions, and are overly optimistic.

Company:	Intertain	TSO3	Maxar (Formerly MacDonald Dettwiller)	Just Energy
Exchange: Ticker	TSX: IT	TSX: TOS	NYSE and TSX: MAXR	NYSE and TSX: JE
Report Date	December 17, 2015	August 23, 2017	Aug 7, 2018	July 31, 2013
Stock Brokers Who Said "Buy"	Canaccord/Mackie/Nat'l Bank/Cormark	Canaccord/RBC/Scotia/GMP	Canaccord/RBC/TD/CIBC/GMP/ BMO/Nat'l Bank/Scotia	CIBC/National Bank/RBC/Canaccord
Spruce Point's Criticisms	• Stock promotion of a poorly organized online gaming roll-up • CEO FitzGerald has a checkered past with ties to questionable people • Ties to Amaya, a company being investigated by regulators • Management Incentive Program is flawed and unjustly enriches insiders • Questionable financial reporting and accounting practices • Overvaluation: 45%-70% downside	• Poorly promoted Canadian healthcare company, with limited product value • Disclosure issues obfuscate actual end market sales, and overstatement of total addressable market • Over-promotion of a partnership with Getinge that would be destined to fail • Terrible insider alignment with mgmt. owning 1% of shares • 80%+ downside when Getinge deal fails	• MDA's acquisition of DigitalGlobe driven by the need to cover problems in its satellite business, including a forthcoming decline in the geostationary satellite industry • Brazen accounting scheme including inflation of intangible assets to overstated Non-IFRS EPS • Dangerously levered at 5.8x when taking into account off-balance sheet liabilities make Maxar's dividend at high risk of being cut or eliminated • Analyst estimates are too high, and goodwill and asset impairment looms	• Value destructive roll-up in the consumer energy marketing space • Deceptive business practice being claimed by customers • Generous 7% dividend yield unsustainable as debt load increases and earnings and cash flow prospects diminish
Successful Outcome	• Intertain initiated a strategic review upon the report release • Feb 2016, CEO FitzGerald resigns from Intertain (source) • Intertain delists from the TSX in Jan 2017 and re-lists its shares in the UK -- claiming that the Canadian markets don't value its business (source) • Analyst price targets of C$28.00 were never achieved. Shares hit a low of C$7.13, down 42%	• On Jan 25, 2018, TSO3 discloses amendments to the Getinge partnership, validating Spruce Point's criticisms (source) • Multiple brokers downgrade shares from >C$5.00 to C$2.00 • Share price made a low of C$0.48 in Oct 2018, down 81%	• Maxar's twice attempted to "refute" our conclusions, yet its share price collapsed 90% following our report and lingers near a multi-year low • Maxar took a $386m asset write-down and impairment loss (source) • Multiple resignations including CEO and Chief Accounting Officer • Dividend cut to one penny (source)	• In less than a year, CEO Ken Hartwick submitted his resignation • Company issued restated financials having understated bad debt allowances by $74.6m and issued a material weakness of financial controls • The dividend was eliminated in Aug 2019 and the Company announced a strategic review of operations with limited progress • Shares down -96% since report

The recommendations shown above are not intended to be exhaustive. A full list of all recommendations made over the past twelve months can be found on our website

Spruce Point Capital Management

Spruce Point's Activist Success Exposing Poorly Executed Industrial Roll-Ups

Spruce Point has a strong track record of exposing highly promoted industrial roll-ups before investors figure out that the businesses had inflected negatively. Notably, Spruce Point exposed CECO Environmental and LKQ in the recycling sector.

	GREIF (Packaging Success Together™)	CECO Environmental	LKQ	XPO Logistics
Ticker	NYSE: GEF / GEF.B	Nasdaq: CECE	NYSE: LKQ	NYSE: XPO
Report	2/10/15	2/13/17	1/15/14 (Prescience Point)*	12/13/18
Market Cap	$3.2 billion	$430 million	$10.1 billion	$15.1 billion
Company Promotion	Leader in the rigid and flexible packing industry. Successful ability to acquire and integrate numerous acquisitions to extract synergies, increase earnings and cash flow. Ability to effect a turnaround despite challenging end markets	Effective roll-up acquirer serving the environmental, energy, fluid handling and filtration industrial segments. Its largest PMFG acquisition would be a success and allow for rapid delivering of its balance sheet, and renewed growth	Best of breed recycled auto part distributor capable of effecting a roll-up strategy and producing consistent double digit revenue and EPS growth	Leading logistics and transportation company that operates as a highly integrated network of people, technology and physical assets. XPO can spend up to $8bn for a mega-deal to propel its share price to $145
Our Criticism	Poorly executed roll-up with limited disclosures about acquisition costs, and deal performance post-closing. Investors are overlooking Greif's material weakness, and still buying into management's aggressive Free Cash Flow definition, and excessive add-back adjustments to EPS. Dual class share structure presents poor governance and insiders focused on pay vs. performance	A poorly constructed roll-up, we argued CECO was forestalling a goodwill impairment, its cash flow would fall significantly in 2017, and it could come under covenant pressure. CECO was misportraying its true leverage, while its end markets were contracting. We estimated downside risk of 30%-60%	An ineffective roll-up by a management team with a history of financial failure (Waste Management / Discovery Zone). LKQ is caught in a gross margin squeeze being masked by relentless acquisitions, and aggressive inventory accounting open to significant mgmt judgement. Its move to Europe is an implicit acknowledgement of waning domestic growth	XPO's financials should be viewed cautiously as a result of aggressive accounting assumptions, from a CEO known for aggressive roll-up strategies. The Board is not best suited to oversee the strategy, and the stock is a Wall St. darling poised to disappoint as its fragile financial condition becomes evident
Successful Outcome	The CEO was ousted shortly after our report. Greif continued to miss Wall Street sales and earnings estimates, and failed to turnaround its business as promised. Further, Greif curtailed additional M&A for four years post our report	CECO took a goodwill charge in Q4'16 as predicted, and changed its presentation of its financial leverage in its investors presentation - implicitly acknowledging our criticism. Q2'17 results were significantly below expectations, it admitted continuing challenges in its end markets, and its YTD operating cash flow has evaporated. CECO's shares were downgraded, and shares fell >40%	Gross margins have declined from over 47% to 39%. The Company's successive acquisition in Europe and domestically have failed to boost its share price. LKQ's multiples have contracted significantly. Its CFO was replaced (Feb 2015) and its CEO recently stepped down (March 2017)	XPO cut its guidance and missed financial targets. Its COO was terminated after XPO lost a substantial customer, believed to be Amazon. XPO's mega-deal never happened, and instead it tempered its growth strategy by turning to levered share repurchases. XPO talked about restarting acquisitions, but instead is saying it could dismantle the Company. XPO terminates strategic review

Past performance is no guarantee of future performance. Short-selling involves a high degree of risk, including the risk of infinite loss potential. Please see Full Legal Disclaimer at the front of the presentation.

** Reported produced by Prescience Point of which Spruce Point's founder was a contributing author. The recommendations shown above are not intended to be exhaustive. A full list of all recommendations made over the past twelve months can be found on our website*

Spruce Point Has A Track Record Identifying Capex Accounting Anomalies As Leading Indicators of Underlying Problems

GFL's capex accounting irregularities should not be taken lightly by investors. Spruce Point has a strong record of success unearthing previously-unidentified financial strain among companies reporting irregular or inconsistent capex figures. Included in these are some of our most successful short campaigns.

	caesarstone	AOSmith	US CONCRETE
Report	NASDAQ: CSTE | Aug 2015 / Oct 2015	NYSE: AOS | May 2019 and Twitter	NYSE: USC | May 2018
Ent. Value	$1.7 billion	$7.8 billion	$1.7 billion
Company Promotion / Situation Overview	Leading quartz countertop manufacturer capable of producing sustainable 43% and 26% gross and EBITDA margins, while producing double digit growth in the fast growing U.S. market. The Company claimed it needed to increase capex to construct a manufacturing facility in the U.S. to accelerate its North American expansion	Leading maker of water heaters and treatment products, boilers, and air purifiers. Fast and sustainable growth in China, allowing for corporate gross margins in excess of industry peers.	Highly accretive and synergistic North American roll-up of ready-mix concrete operations capable of expanding margins and growing earnings
Our Criticism	Our intense fundamental and forensic due diligence uncovered evidence of slowing U.S. growth, and margin pressure being covered-up. **We also expressed grave concerns about the Company's strategy to build a U.S. manufacturing facility and believed its capex costs seemed overstated, which would allow capitalization of costs on the balance sheet and potentially overstate earnings**. Our background work into CEO Yos Shiran also revealed a pattern of mismanagement at Tefron, an Israeli textile company, that promoted a unique technology but failed	**Our intensive due diligence revealed a number of capital expenditure anomalies, notably consistent mis-forecasting. These capex issues appeared to point to gross margin inflation via expense capitalization**. Shifting revenue recognition standards pointed to the possibility of aggressive booking of sales. Excessive spending on a protracted ERP implementation also appeared to be linked to accounting and financial issues	Becoming more aggressive in acquisitions to grow and providing limited deal transparency. GAAP vs. Non-GAAP strain intensifying. Leverage rising to pre-bankruptcy levels. CEO has hidden from disclosure a DWI arrest for reckless driving. Aggressive use of capital leases to embellish EBITDA. **Management's history of meeting Capex guidance is horrendous. PP&E accounts suggest overcapitalization of costs with vehicle accounts up 500% yet physical trucks up 100%**
Successful Outcome	Two CEO/CEO's and two CFO/CFO's of Caesarstone subsequently resigned. The Company later reported numerous manufacturing problems in both its new U.S. production and Israeli facilities. Gross margins contracted to 25%. The share price has fallen ~80% from our initiation price	Following a report from J Capital, AOS admitted that it had been engaging an undisclosed material supply chain partner in China, confirming suspicions of channel-stuffing. In Q2 2018, not long after we published our report, AOS substantially revised guidance, showing weakness in China with sales projected down 16-17%. AOS fired the President of A.O. Smith China in Feb 2020 following our report	Following our report, USCR continued to miss analyst expectations numerous times. In April 2019, a regional executive resigned and in Feb 2020, USCR announced its CEO would "retire". Shares declined by approximately 55% following our report

Spruce Point Capital Management

Table of Contents

Executive Summary

SPRUCE POINT
CAPITAL MANAGEMENT

Spruce Point Estimates 100% Downside Risk To GFL Environmental's Share Price

After conducting a forensic financial and accounting review (inc. multiple former employees interviews), Spruce Point believes shares of GFL Environmental (TSX/NYSE: GFL), a cash degenerative North American roll-up of environmental service companies, are worthless. We find GFL's CEO Patrick Dovigi has obfuscated connections to what some observers have dubbed *"organized crime"* – if true, making the stock uninvestable to institutional shareholders and putting its two deals to acquire Waste Management assets and WCA Waste at risk of not receiving Dept. of Justice approval in our opinion. GFL's executive Joy Grahek fails to disclose her role advising Philip Services (NYSE/TSX: PVH), a dual-listed roll-up of metal and industrial services that collapsed, was pursued by the OSC regulators, settled $80m of shareholder claims, and was described as *"one of the great unprosecuted frauds in Canadian business history"*. In our opinion, GFL's leverage is understated by aggressive reporting of revenue and EBITDA, and free cash flow burn is understated by ~60%; this is evidenced by financial restatements without explanation, and by minimizing a material weaknesses of financial controls. We believe GFL's debt is understated by at least C$460m. We believe its staggering C$5.6bn total debt load, and financial losses make it reliant on new capital to sustain itself, nevermind its desire to grow via increasingly expensive acquisitions. With a meaningful portion of the stock pledged as collateral for loans, we believe there is a real risk that the stock collapses and the auditor fails to sign off on GFL's financials after reviewing the evidence we've amassed.

CEO And Other Executive With Obscured Connections To Controversial People; Some Internet Sources Speculate As "Organized Crime"

GFL's CEO Patrick Dovigi has scrubbed his biography in SEC and SEDAR filings connecting him to multiple individuals that have had regulatory infractions, legal challenges, and allegations of securities fraud in the U.S. Notably, Dovigi was a Director of NGTV, a company whose financials were overseen by an individual associated with Simon Marketing, the Company involved in the mob-linked McDonald's Monopoly scandal. In addition, NGTV involved Andy DeFrancesco (tied to Aphria and Fareport Capital scandals), Romeo DiBattista Jr (tied to Fareport Capital), Frank Mersch (settled with the Canadian securities regulators for misleading statements) and Hunter World Markets (SEC charged with stock manipulation). In addition, Dovigi has been associated with Rob Ford, and his brother Doug Ford, influential Canadian politicians that the local media has suggested are connected to organized crime, and patronage controversies. GFL also obscures the role of Paul (Paolo) Borrelli, a former executive and current employee, who is connected on social media to Antonio Borrelli. Antonio went to prison for attempted murder that paralyzed an innocent bystander. Peter Scarcella, who police say *"is one of Toronto's top mob figures",* is Antonio's uncle.

Another Poorly Organized and Opaque Canadian Roll-Up That We Expect Will Fail To Meet Lofty Goals. Multiple Examples of Questionable Deals

We believe GFL is an aggressive roll-up, having acquired 143 companies since 2007, that overpays for assets and failed three times to IPO. In one case, GFL bought a company that itself acquired 60 companies, making GFL a roll-up of roll-ups. We believe GFL is simply a financial motivated investment scheme that failed multiple times to IPO, and has parallels to Philip Services Corp, a scandalous U.S./Canadian roll-up that went bankrupt. We find examples of GFL touting deals, but through poor post-acquisition execution, have operational or financial challenges. In an extreme case, GFL bought Rizzo Environmental before U.S. authorities indicted its founder for fraud. We also have concerns about the financial guidance issued in the recent Waste Management deal. We heard from an industry observer familiar with GFL's Canadian business that 50% of its deals are estimated to have under-performed post acquisition. GFL gives limited deal terms and post-acquisition performance, leaving investors to "trust" it when talking about its ability to drive organic growth and margin expansion. Our analysis shows no evidence of operating leverage: GFL has grown sales at the same rate as its two largest operating expenses, employee wages and hauling fees per employee.

Evidence of Aggressive Revenue, EBITDA, Free Cash Flow, Adj. EPS, Capex And Asset Accounting Pointing To Financial Control Issues Being Minimized / Leverage Also Understated

GFL's first IPO prospectus discussed a material weakness of financial controls, a troubling fact for a Company founded 12+ years ago. GFL removed the material weakness statement before its IPO suggesting it was remediated. Yet, Spruce Point finds evidence that GFL has restated both revenue and EBITDA, without explanation, by pulling from "intercompany" revenues. This maneuver, which flatters its U.S. EBITDA margin, a key part of the growth story, is suspicious. When we spoke with a former employee about GFL's practices, we heard an opinion that GFL was particularly aggressive, and didn't have the right operational structure in place to succeed. The SEC questioned GFL's use of "Run Rate EBITDA", and based on the fine language in the prospectus, we believe it provides GFL significant discretion to inflate EBITDA. We believe GFL presents a potentially misleading view of its "Total Gross Debt" which ignores capital leases, loans to CEO Dovigi, and the debt portion of the Tangible Equity Units ("TEU") issued in March 2020. In total, we believe GFL understates debt by at least C$460m, and potentially more if post-closure landfill liabilities aren't accurately modeled. We estimate current Net Debt/EBITDA is 4.7x (5.2x pro forma for WM/WCA). GFL carries a deep junk credit rating of B+/B1 with S&P and Moody's. In Q2 2020, GFL made an accounting maneuver that inflated its operating cash flow by 2x, understated capex by 19% and H1 2020 free cash flow burn was ~60% more than reported. Our analysis shows GFL is struggling more than investors believe, which may explain why it rushed an expensive deal to buy WCA Waste despite not closing on WM.

Spruce Point Estimates 100% Downside Risk To GFL Environmental's Share Price

Evidence of Undisclosed Related-Party Transactions With The CEO And Spending With "Friends" That Could Be Adverse To Shareholders' Interest	CEO Dovigi has increased loans to GFL recently, which caused us to investigate his related party dealings. We find evidence that through his real estate holding company PJD Properties, he leases office space to GFL, and this fact was not properly disclosed to investors. In addition, we find that GFL leases a mansion in British Columbia from an employee that was acquired in an acquisition. We also heard from sources to "follow GFL's green trucks" for clues as to where GFL might be spending in ways adverse to shareholders. This led us to Interior Motives Custom Upholstery where we found that GFL has commissioned fancy interior design work for its vehicles. These vanity projects add costs to shareholders with no addition to profits. In addition, we are concerned by GFL sending truck and heavy equipment refurbishment work to Campus Auto Collision, where Mr. Dovigi's partner at Earthworx landed after pleading guilty to soil contamination, while charges were dropped against GFL. Campus Auto associates itself with individuals that appear to have had past legal issues.
CEO Lives A Large Life With A Side Hobby That Could Distract Him From Running GFL In Our View	CEO Dovigi is not shy about flaunting the wealth created from building GFL via aggressive acquisitions. He claims to buy a new car every 6 months, and the Company provides him a generous annual auto stipend and use of a Company jet. In addition, he has multiple vanity homes all across North America, and a super yacht we believe is named Lady Jorgia. CEO Dovigi is also known to develop properties as a side-venture, but these property development activities have in the past created lawsuits and community push back, notably in Muskoka. He also does not disclose his role at PJD Properties on his SEC-filed biography. Spruce Point believes shareholders would be better served if CEO Dovigi focused all his attention and effort on GFL.
Poor Board Composition; Two Audit Members Hide Connections To Controlling Shareholders Compromising Independence In Our View	Spruce Point believes the current slate of "Independent" Directors are suspect. Mr. Nayar fails to include on his biography that he has received fees from BC Partners as an advisor, GFL's largest control shareholder. Also, board member Mr. Guindi's law firm received fees from BC Partners and Ontario Teachers' Pension Plan. GFL does not compensate its directors with cash, they own no stock, and have an immaterial number of legacy options. More importantly, in our opinion, none of the current Independent Directors have any full-time operational experience in the waste management or environmentally sensitive industries critical to overseeing GFL's business. As a result, we believe the Board is ill-equipped to best serve new shareholders and ensure that GFL is operating in compliance with stringent rules and regulations – a challenge for GFL historically.
Stock Pledged For Risky Margin Loan / Significant Stock Could Be Sold Soon	Dovigi and others have used margin loans tied to the value of GFL's stock. Best corporate governance practices generally dictate that executives and directors not pledge stock. This presents undue risks to investors should the stock come under pressure, and forced selling be required. GFL's IPO lock-up expires in late August 2020, giving insiders the ability to cash out, and repay the margin loan with stock sales.
Financial Targets Unlikely To Be Achieved. Premium Valuation Based On Financials We Believe Are Dubious And Fail To Account For The TEUs. Delisting Risk Is High	Based on our research and conversations with former GFL employees, we believe it will be unlikely that GFL stems its cash burn and turns a profit any time soon while it continues its torrid acquisition pace. Yet, stock promoters take GFL's word that it is growing organically (with little data to verify), can continue to acquire (yet overpay for acquisitions), and improve margins (despite evidence of wasteful spending and operational mishaps). Collectively, analysts see 17% upside to GFL's share price, and argue it's stock is cheap to peers, yet ignore GFL's financial control issues of unexplained revenue restatements, aggressive accounting that inflated recent cash flow by 2x, and understated debt burdens. We believe GFL is more expensive that it appears: its enterprise is not correctly modeled for the impact of TEUs, and its market cap to intangible assets and goodwill is industry leading at 98%. We believe GFL is uninvestable to institutions given these financial control issues, and the CEO's documented relationships with many controversial parties. We believe GFL's audit committee needs to engage an independent expert to review any related-party dealings between GFL and its CEO, along with dealings among his associates. Given that GFL is dependent on capital to sustain itself and grow, we believe the stock could be worthless absent new funding.

Spruce Point Capital Management

GFL's Growth Story Is Largely Over

Spruce Point Warning	Spruce Point believes the largest pillars of the GFL "growth" story via acquisitions are now over. This is mirrored by the recent comment below by the CEO during last week's WCA deal announcement call. **We believe investors are now left with two very big risks:** 1) Will GFL receive regulatory approvals for each transactions, and 2) Will GFL will make due on its promises to properly integrated recent acquisitions? Between announced (C$2.8bn) and closed acquisitions (C$1.1bn), GFL has spent C$3.9bn on YTD 2020 acquisitions, putting significant organizational strain on a Company, that in our view, has historically failed in its M&A deals and not exhibited any operating leverage
GFL CEO Dovigi **Aug 13, 2020**	*"So I just wanted to highlight that to refresh everyone's sort of memories on what we said, what we have done, and sort of* ***what we're focused on sort of moving forward. But I think post WCA, there's not another larger scale opportunity that's in our horizon at the moment, and we're just going to focus on getting these integrated properly and then focusing on tucking-in smaller M&A deals like what we've talked about acquiring sort of 25 to 30 deals a year of sort of $1 to $10m of EBITDA."***

We Believe Current GFL Investors Are Left "Betting" On The Uncertain Outcome Of These Three Things, Yet Most Sell-Side Analysts Have Already Given GFL Credit For Successful Completion

#1 Closing Waste Management / ADS Deal	This deal requires Dept of Justice (DOJ) approval. There is already evidence that deal terms have changed, yet GFL did not disclose this to investors. Why not? Furthermore, GFL recently added new "forward looking" statement language signaling risks of DOJ approval. Lastly, how will the DOJ view the varied controversial business connections that GFL has?
#2 Closing WCA Acquisition	Before even closing WM/ADS, we believe GFL has further complicated its situation, by now requiring two regulatory approvals. The financing of the deal is not entirely certain. GFL is indicating it needs to raise $500 - $750m of debt. Moody's says WCA is free cash flow constrained and that its capex margin is 15%; GFL shows 10.5%. Who to trust?
#3 GFL "Properly Integrating" Deals	Based on our extensive research, we believe GFL's CEO likes to spend lavishly, and in ways that may not be beneficial to investors. Our research shows that GFL has often made poor acquisitions, with extreme lapses in due diligence (eg. Rizzo) and by neglecting customer service and infuriating customers (eg. Bestway). By our analysis, GFL has extracted no operating leverage in key operating costs up to this point, so we are skeptical that GFL has an adequate plan to change its historical practices

Insights From A Call With A Former GFL Employee

Spruce Point

"Can you talk about the history, who were the initial backers, whose idea was the operation, and how did it evolve? Seems like the initial equity backers have moved on at this point."

Former GFL Employee

"I have to say this very gently….a number of owners have come and gone and moved on. There's certainly a group still behind the scenes pulling the strings at this Company and I'm not prepared to say any more about that."

Spruce Point

"Would you describe them as highly ethical good people, should we do more investigation?"

Former GFL Employee

"You'll never find them, and you don't want anything to do with them..."

Spruce Point

"Why did you leave GFL?"

Former GFL Employee

"I felt the Company had to go in a different direction and it wasn't going there. I also had ethical concerns and had no interest in continuing with the Company."

Note: These perspectives are from an employee of GFL who left over 3 years ago but still follows the Company

Spruce Point Capital Management

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern

Through either one or two degrees of separation, GFL's CEO has been closely associated with people that have been involved with various business scandals, some of which have involved charges (and convictions) for fraud and imprisonment.

Richard David
Prior: CFO NGTV
Prior: Simon Marketing, VP of Finance and Administration
(Mob-linked McDonald's Scandal)
"Where were the controls?"

Todd Ficeto, Florian Homm
Past: Investor in NGTV through Hunter World Markets
Fraudulent Scheme To Manipulate Stocks

Frank Mersch
Current: Front Street Cap.
Past: Lower East Capital Partners (NGTV)
Past: Altamira Mgmt.
OSC: Misleading regulators; trading ban

Chuck Rizzo
Current: Prison/Felon
Prior: Rizzo Environmental a growth partner to GFL

Gregg Mulholland
Current: Prison/Felon
Dovigi had Property Dealings With The Mulholland's. Gregg Is A Two-Time SEC Charged Stock Promoter

Andy DeFrancesco
Current: Delavaco
Prior: Director, NGTV
(owner Lower East Capital Partners)
Prior: Fareport Capital (Scandal)
Prior: Aphria Scandal
Prior: Sol Global
Prior: Perfesians Holdings
Prior: InfoSonics/Cool Holdings

GFL CEO Patrick Dovigi
Prior: Director, NGTV Feb 2004-2006
Prior: VP, Brovi Investments
Prior: Lower East Capital Partners
Concerns:
- *Brovi Sued Dovigi for allegedly misappropriating funds*
- *Donated To Ford's Campaign*

Romeo DiBattista, Jr
Current: Brovi Investments
Current: Owner Regent Capital
(formerly Kingsdale)
Prior: Fareport Capital (Scandal)
(owner: Lower East Capital Partners)
Prior: Bellair Ventures
Prior: Perfesians Holdings

Gord Churchill
Past: Earthworx
Plead guilty of police officer impersonation, weapons, drug production
Sons: Nick and Jody Churchill

Michael Galloro
Prior: Delavaco
Prior: InfoSonics/Cool Holdings
Prior: Bellair Ventures
Prior: Venaxis/Bioptix

Rob Ford (Wikipedia)
Current: Deceased
Prior: Mayor Toronto
Scandal: Crack Cocaine Use / Alleged Ties to Organized Crime
Toronto Star investigation cites that Ford and DiBattista Jr. know each other and have spent time at DiBattista Jr's club

Doug Ford (Wikipedia)
Alleged Drug History

Controversy: Did GFL Win Its Toronto Garbage Contract Fairly?
"Bargain Basement" Contract Smells Fishy
"Garbage In, Garbage Out"
"Winning Bidder No Stranger To Controversy"

Paul Borrelli
Past: GFL Executive
Current: Employee

Antonio Borrelli
Past: Prison
Gunman in shooting sent back to prison for continuing to meet with mobsters

Peter Scarcella
(Uncle of Antonio)
Past: Prison
"*Top Mob Boss*"

Claudio Villa
Current: Campus Auto Collision
Prior*:* Director Earthworx
Villa plead guilty and fined in relation to dumping toxic dirt

Donald R. Pollard
Current:
CEO Lakeridge (U.S, Subsidiary of Regent Capital)
Pollard Pled Guilty To Criminal Charge of Falsifying Business Records
Tied To A Cash For Gold Operation

Barry Honig
"Microcap Fraudster"
Past: Riot Blockchain
Past: Venaxis/Bioptix

SPRUCE POINT CAPITAL MANAGEMENT

Why Does GFL's Former General Counsel Omit Her Role Advising "One of the Great Unprosecuted Frauds of Canadian Business History"?

GFL's former General Counsel, and now SVP of Strategic Initiatives, omits from her biography that she was legal counsel to Philip Services Corp. (NYSE/TSX: PHV), a dual-listed industrial metals and services roll-up that collapsed and went to zero. The Ontario Securities Commission brought allegations against the executives for failure to provide full, true and plain disclosures of material facts, and Philip's auditor Deloitte (GFL's auditor), executives and underwriters settled shareholder lawsuits for $79.7m.[1,2] Philip Services was described as a *"house of cards"* with *"grossly inflated revenue"* and *"one of the great unprosecuted frauds of Canadian business history"* by a Canadian lawyer.[3] Mrs. Grahek appears to have been particularly close with the top executives of Philip Services: she was named in a lawsuit with them and the executives invested in her next business venture.

Elizabeth Joy Grahek's Biography Today At GFL

Elizabeth Joy Grahek

Ms. Grahek joined GFL as Vice President, Legal in March of 2011 and became General Counsel in May 2014 and Executive Vice President in April 2017. In October 2018, Ms. Grahek assumed the role of Senior Vice President, Strategic Initiatives. She has an LL.B from the University of Toronto and has practiced law since her call to the bar in 1983, initially in private practice with a small boutique firm in Hamilton, Ontario and since 1997 primarily as in-house counsel for publicly traded and private companies in the waste management sector. Ms. Grahek was General Counsel of Capital Environmental Resource Inc. from 1997 to 1998 at the time of its initial public offering and listing on NASDAQ and was Associate General Counsel at Waste Services Inc. (WSI) the successor to Capital Environmental, from 2003 to 2010. While at WSI, she was responsible for all commercial and legal compliance matters affecting the company's waste management operations, including acquisitions and divestitures, contract and employment matters, and worked with WSI's General Counsel on financings and securities matters.

Source: GFL Prospectus and GFL website

Elizabeth Joy Grahek's Biography: Capital Environmental Resources, May 1999

ELIZABETH JOY GRAHEK was appointed as Executive Vice President, General Counsel of Capital Environmental in August 1998. From September 1997 to July 1998, Ms. Grahek was legal counsel to Philip Services. Prior to September 1997, Ms. Grahek spent 14 years with Turkstra Mazza Associates, a law firm specializing in matters pertaining to corporate and environmental law. Ms. Grahek was outside counsel to Capital Environmental while she worked at Turkstra Mazza Associates. Ms. Grahek received her law degree from the University of Toronto.

Source: Capital Environmental Resource Inc. Prospectus

Note: Colin Soule, Philip Service's GC of who settled with the OSC, and CEO Allen Fracassi, were investors in Ms. Grahek's company. Ms. Grahek was also named in a lawsuit with the Fracassi brothers, Mr. Soule and Mr. Turkstra

A Partner At Joy's firm, Herman Turkstra, was a Director of Philip Services and the law firm received fees of C$769K, C$921k and C$516K from 1995-1997 (Source: prospectus)

Hamilton businessman Bob Waxman has been sentenced to eight years in prison for stealing almost $18 million US from Philip Services Corp.

"But the tough sentence doesn't mean the end of the 14-year saga that contributed to the spectacular collapse of Philip Services Corp., and sent fraud investigators around the world trying to trace stolen money. An appeal is already filed. Waxman spent the afternoon in a holding cell at Hamilton's courthouse but was released on bail pending that appeal…

Waxman was found guilty of six charges of fraud and theft relating to trades on copper he orchestrated in 1996 and 1997 as president of the metals recovery group at Philip Services.

In the mid and late 1990s, Philip was in the midst of an aggressive growth-by-acquisition spree and was constantly short of cash to finance its day-to-day operations. In that environment Waxman hatched a scheme to raise ready cash. The plan, which he has always held was carried out with the full knowledge of the board of directors, involved buying copper on delayed payment terms from a supplier and then immediately selling it for cash."

Source: *"Hamilton's Bob Waxman gets 8 years for multimillion-dollar Philip Fraud"*, The Hamilton Spectator, Oct 20, 2011

1) Philip Services Corp Securities Litigation
2) OSC In The Matter of Philp Services Corp
3) "*Waxman wasn't the reason Philip Services fell, says lawyer*", The Hamilton Spectator, Aug 24, 2011

Comparisons of GFL to Philip Services

Spruce Point finds a number of investment similarities between dual U.S./Canadian listed IPOs of GFL, and Philip Services, which crashed to insolvency and was later called *"one of the great unprosecuted frauds of Canadian business history"*.

	Philip Services	GFL Environmental
Executive	Elizabeth Joy Grahek was a legal advisor	Elizabeth Joy Grahek was General Counsel and now SVP of Strategic Initiatives
Business Overlap	Soil remediation / Landfill operations Liquid waste management	Soil remediation / Landfill operations Liquid waste management
Business Strategy	Roll-up via acquisitions first in Canada and then the U.S.	Roll-up via acquisitions first in Canada and then the U.S.
Financial Strategy	Leverage used to accelerate growth	Leverage used to accelerate growth
Overpayment For Companies Resulting in Overstated Goodwill And Intangible Assets	Philip said it expected that virtually all its goodwill, intangibles and $40m of fixed assets were impaired	Spruce Point has concerns about GFL's $6.5bn of goodwill and intangibles in light of our belief it has overpaid for assets, and evidence some deals have had challenges
Cross Selling Opportunities	Pitched cross-selling as a strategic rationale of its roll-up business strategy	Pitches cross-selling as a strategic rationale of its roll-up business strategy
Margin Expansion Opportunities In Each Company's Words	*"We believe the margin expansion illustrates that Philip is achieving synergies from the more than 40 businesses it has acquired since the beginning of 1996"*	*"We then seek to build scale by making and effectively integrating tuck-in acquisitions that generate meaningful cost synergies by increasing route density, and drive margin expansion by leveraging our scalable infrastructure and centralized administrative capabilities"*
Touted Acquisition During IPO	Promoted the pro forma merger of Allwaste and Serv-Tech in the U.S.	Promoted the pro forma merger of Waste Industries in the U.S.
Partnership with Ontario Teachers To Add Business Credibility	Prior to IPO, in October 1996, Philip entered into an agreement with the Ontario Teachers' Pension Board ("Teachers"), whereby Teachers' acquired a 30% equity interest in PUMC.	Prior to IPO in April 2018, GFL recapitalized with an investment by Ontario Teachers Pension Plan. Ontario Teachers owned 20% of outstanding GFL shares Pre-IPO
Capex and Operating Cash Flow Anomalies / Revisions	Revisions were made to operating cash flow and capex figures	We observe capex figures don't reconcile to PP&E footnotes. Quarterly and semiannual supplemental capex figures don't reconcile. Operating cash revisions made
Auditor	Deloitte	Deloitte
Stock Promoters	CIBC / RBC / TD	CIBC / RBC / TD
Outcome	Delisting and Insolvency Regulatory and Shareholder Settlements Prison for Waxman	?

Source: Philip Services, GFL and Spruce Point analysis

What Happened To Executive Paul Borrelli Prior To GFL Registering To Going Public?

Per a BC Securities Commission filing we see that Paul Borrelli was a named executive officer of GFL as of April 2019 during a debt capital raise led by Barclays Capital. Oddly, Mr. Borrelli did not appear on the Company's website, unlike the other officers, in April 2019 using the waybackmachine. Mr. Borrelli ceased to be an officer as of July 2019 and was not named in GFL's F-1 Registration Statement when it was preparing to IPO. Mr. Borrelli has no public work biography, and does not maintain a LinkedIn account. His photo can be seen in 2014 accepting an award for GFL. His wife has a public Facebook profile and his photo appears next to her. We see that a Mr. Antonio Borrelli indicates that he knows Paul. His photo appears similar to a Mr. Antonio Borrelli who was sentenced to prison for a murder plot that injured an innocent bystander in 2004, and back to jail for *"continuing to meet with mobsters"*. The Globe and Mail says that Antonio Borrelli's uncle is Pater Scarcella, *"one of Toronto's top mob figures"* according to the police.

a) Directors, executive officers and promoters of the issuer

Provide the following information for each director, executive officer and promoter of the issuer. For locations within Canada, state the province or territory; otherwise state the country. For "Relationship to issuer", "D" – Director, "O" – Executive Officer, "P" – Promoter.

Organization or company name	Family name	First given name	Secondary given names	Business location of non-individual or residentail jurisdiction of individual	Relationship to issuer (select all that apply)		
				Province or country	D	O	P
	Dovigi	Patrick		Ontario	✓	✓	
	Pelosi	Luke		Ontario		✓	
	Yorston	Greg		United States		✓	
	Gilbert	Mindy		Ontario		✓	
	Grahek	Elizabeth	Joy	Ontario		✓	
	Richmond	David		Québec		✓	
	Dover	Christian		Ontario		✓	
	Borrelli	Paul		Ontario		✓	
	Glavina	Edward		Ontario		✓	
	Bouldin	Mark		United States		✓	
	Chiesa	Dino		Ontario	✓		
	Notarnicola	Paolo		United States	✓		
	Svider	Raymond		United States	✓		
	Gross	Adam		United States	✓		
	Nayar	Arun		United States	✓		
	Sibenac	Lisa		United States	✓		
	Guindi	Shahir		Québec	✓		

Source: British Columbia Securities Commission

By calling GFL's automated phone directory (905-326-0101) we see that Paul Borrelli maintains a voicemail box and presumably is still an employee at GFL

Marsha Guy and Paul Borrelli of GFL Environmental - Environmental Leadership Award

Source: Ro On The Go 2014

NATIONAL POST

Gunman in shooting that paralyzed Toronto bystander sent back to prison for continuing to meet with mobsters

Antonio Borrelli was released from prison on parole in 2012, with conditions not to have any contact with mobsters nor the mother he inadvertently shot in 2004

Adrian Humphreys
Mar 26, 2014 • Last Updated 5 years ago • 4 minute read

Source: Toronto Star

21 10 Comments

Like Share

Deborah Tuccella B simi !!! Quanto mi piacerebbe rivedervi...
Like · See Translation

Marcia Mittoo Tell pa he's blacker than me. Lol
Like · 6y

Ornella Sorrenti you ys look like such a great couple.....
Like · 6y

Alessandra Sandra colo Cheers guys...great picture
Like · 6y

Adriana Pampena-R si You guys look amazing!!
Like · 6y

Anna Aromatario-B lli Thank you all...
Like · 6y

Jessica Borrelli K A you look great but I can't see Paul! Tell him to smile lol. Wtf?! He's s oo dark and I'm so jealous!! Lol
Like · 6y

Anna Aromatario-Borrelli Lol!!

Antonio Borrelli Who's the black guy! I'm telling Paul lol
Like · 6y

Source: Facebook

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

GFL uses Campus Auto Collusion for its vehicle and equipment refurbishment. This reconnects CEO Dovigi with Claudio Villa, who plead guilty at Earthworx (a former GFL partner) in 2015 for dumping toxic dirt, while charges against GFL were dropped. Per Campus' Instagram, Mr. Villa maintains relationships with individuals described as cousins. These individuals have names and images similar to those with past legal issues.

GFL CEO Pat Dovigi

Claudio Villa
[Campus Collison](#)
(Prior: Earthworx)

Lucio Di Orio
[Campus Collison](#)
([LCG New Generation](#))

Appears Similar To Kris Della Pia in the image below

"Cousin Kris"

"cuz"

Soil broker Earthworx convicted of dumping toxic dirt at sheep farm - *March 2015*

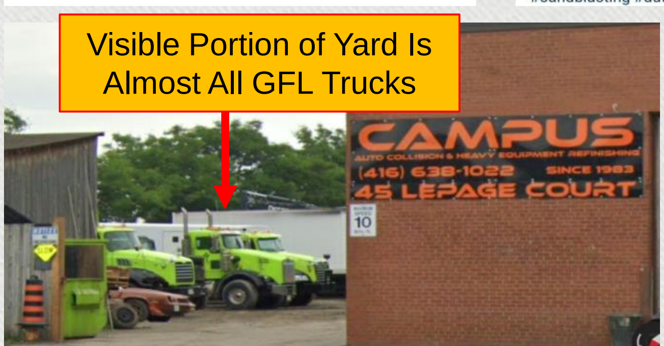
"In a Star story last fall, GFL president and CEO Patrick Dovigi said his company chose to be a good corporate citizen by cleaning up the mess left on farmer Ruco Braat's land, in the hamlet of Bailieboro. Dovigi also said GFL took just 192 truckloads to the farm and suggested that another soil company brought the dirty soil to Braat's land. ***After pleading guilty last week, Earthworx and its director, Claudio Villa, were fined $84,500*** *(plus a 25 per cent victim surcharge) for offences related to the deposit of soil contaminated with metals and organic compounds on the sheep farm."* [Source](#)

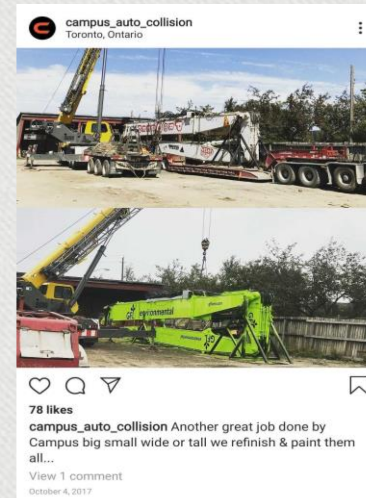
Pallbearers wearing white roses escort the casket of Salvatore Calautti at St. Margaret Mary Roman Catholic Church in Woodbridge. Second from left is Kris Della Pia, convicted of a drug conspiracy in a gang with an ex-Toronto police officer.

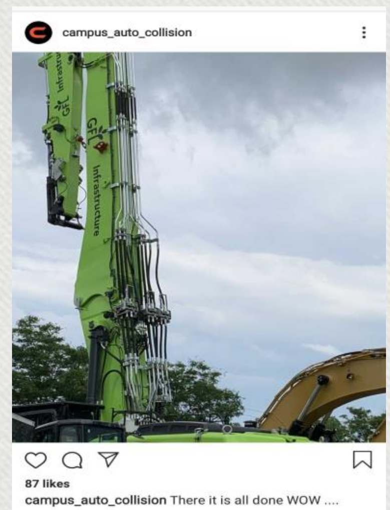
Mob Events No Longer What They Used To Be
"Kris Della Pia, convicted of a drug conspiracy in a gang with an ex-Toronto officer."
[Source](#) and [Source](#)

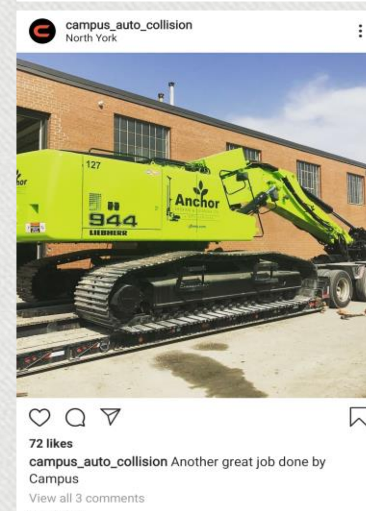
Dovigi And Ford Connection

CEO Dovigi has a relationship with Campus Auto Collison, which by public photographs, services GFL's fleet refurbishment. Campus Collision is also friendly with Doug Ford (as seen in the photo below), who the Globe and Mail said has a history with drug dealing.[1] Dovigi and Ford are in a small circle, centered around Campus Auto Collison.









Source: Google images (July 2019)

1) *"The Ford Family's History With Drug Dealing"*, Globe and Mail, May 25, 2013

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

At the same address as Campus Auto Collusion, where GFL sends trucks for refurbishment, there is another business registered called LCG New Generation. Mr. Di Orio, an owner of Campus, and Mr. Kris Della Pia are listed as the Directors of the Company.

Note

This information is available to the public in accordance with legislation (see Public disclosure of corporate information).

Corporation Number	927909-1
Business Number (BN)	822988168RC0001
Corporate Name	LCG NEW GENERATION INC.
Status	Active
Governing Legislation	*Canada Business Corporations Act* - 2015-05-04

Order a Corporate Profile [View PDF Sample] [View HTML Sample].
PDF Readers

Same Address As Campus Auto Collision

Registered Office Address

45 LEPAGE COURT
North York ON M3J 2A2
Canada

Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1 **Maximum** 10

Lucio Di Iorio
336 Athabasca Drive
Maple ON L6A 3S1
Canada

Kristofer Della Pia
45 LePage Crt.
Toronto ON M3J 2A2
Canada

Source

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

SPRUCE POINT CAPITAL MANAGEMENT

Earthworx also connects GFL, Mr. Dovigi and Director Dino Chiesa, to Gordon Churchill of Port Perry. Mr Churchill, in addition to Mr. Villa, were both referenced as directors/owners of Earthworx. Gordon pleaded guilty in June 2007 to charges of production of a controlled substance, unauthorized possession of a firearm and misconduct by peace officer. Gordon's son Nick Churchill follows Villa's Campus Auto on Instagram. Nick Churchill was also sentenced to prison.

Ontario

Ministry of the Environment
Ministère de l'Environnement

Provincial Officer's Report

Order Number
8312-8V6LSG

2241960 Ontario Inc.
Earthworx Industries
159 Roseborough Drive
Port Perry, Ontario
L9L 2E3

And

Gordon Churchill
159 Roseborough Drive
Port Perry, Ontario
L9L 2E3

And

Claudio Villa
23 Leora Court
Richmond Hill, Ontario
L4C 7N3

And

Natalie Walsh
2005 Burnham Line
R.R. No. 8
Peterborough, Ontario
K9J 6X9

And

1745491 Ontario Inc.
Green for Life Environmental East Corporation
1070 Toy Avenue
Pickering, Ontario

Page 1 - NUMBER 8312-8V6LSG

L1W 3P1

And

Patrick Dovigi
40 King Street West
Toronto, Ontario
M5H 3Y2

And

Dino Chiesa
40 King Street West
Toronto, Ontario
M5H 3Y2

Site
171 County Road No. 2 former South Monaghan Township
Otonabee-South Monaghan, County of Peterborough

Observations

Definitions:

"Qualified Consultant" means a person who has obtained the appropriate education and training and has demonstrated experience and expertise in the areas relating to the work required to be carried out in this Provincial Officer's Order. The Qualified Consultant shall be a Professional Engineer and/orProfessional Geoscientist, of good standing within their respective professional associations, in the Province of Ontario.

"Contaminated Fill" means the fill material that exceeds Table 2 and/or Table 3 soil standards in Ontario Regulation 153/04 for agricultural land use that was deposited at the Site by 1745491 Ontario Inc.(o/a Green for Life Environmental East Corporation) using 2241960 Ontario Inc. (o/a Earthworx Industries).

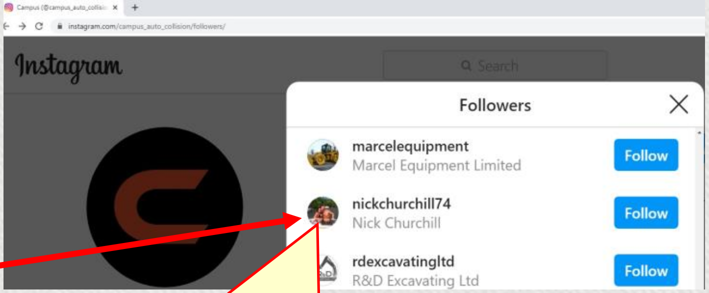
Authority to Issue Order:

This Order is being issued pursuant to my authority under EPA Section 157.1, EPA Section, 196(1) and EPA Section 157.

I am issuing this Order as I believe on reasonable and probable grounds that 1745491 Ontario Inc. (o/a Green for Life Environmental East Corporation) using 2241950 Ontario Inc. (o/a Earthworx Industries) contravened Condition 35(g) of Environmental Compliance Approval No.

Page 2 - NUMBER 8312-8V6LSG

Source and Source



Source

Former Fenelon Township man sentenced to two years in jail after failed attempt to rip off marijuana grow

*Dressing as a police officer and carrying a loaded rifle to rip off a marijuana grow operation in 2003 has resulted in a penitentiary sentence for a former Fenelon Township man. **Nick Churchill, 34**, did not visibly react as he was sentenced on Monday (Jan. 26) to two years in prison*

....

***Mr. Churchill's father, Gordon, 55**, and brother, Jody, 31, Garfield Lefort, 33, and Phillip Weddel, 34, all of Port Perry, received jail terms and hefty fines when they were sentenced last year*

Source / Source

Spruce Point Capital Management

Should Banks' Reputational Risk Committees Reassure Investors?

But don't worry, the underwriters who have promoted GFL's stock to investors have "reputational risk" committees which vet clients. In the case of Goldman Sachs, did that stop them from funding 1MDB and Jho Low? And Did J.P. Morgan's risk committee weigh in on dealing with sex offender Jeffery Epstein?

GFL's Underwriters

J.P. Morgan	BMO Capital Markets	Goldman Sachs & Co. LLC	RBC Capital Markets	Scotiabank
Barclays	BC Partners	Raymond James	Stifel	TD Securities Inc.
BofA Securities		CIBC Capital Markets	HSBC	National Bank Financial Inc.

Source: GFL Prospectus

Goldman's "Reputational Risk Management"

Spotlight on Reputational Risk Management

Over the past several years, our firm has taken a number of steps that have enhanced our Board's and our firm's oversight of reputational risk, including:

- **Conversion of our Board's Public Responsibilities Committee** into a standing committee with specific responsibility for oversight of our firm's reputation
- Development and **implementation of a Reputational Risk Framework** and formation of a management-level **Firmwide Reputational Risk Committee** and **control-side "regional vetting groups"** to review transactions with potential heightened reputational risks; numerous **transaction- and client-level controls** embedded in our firm's multi-faceted committee and working group structure
- **Training programs** for both the control side and the revenue side
- Implementation of a **comprehensive Enterprise Risk Framework**, including formation of a management- level Enterprise Risk Committee, a common firmwide risk taxonomy and risk dashboard, a revised Risk Appetite Statement that **addresses both financial and non-financial risks** and the enhancement of our "**three lines of defense**" structure
- Development of **regular metrics for our Board** that track data on conduct, controls, business integrity matters and other key metrics
- Enhancement and realignment of our firm's **Compliance function**, as well as the implementation of wide-ranging programs to **strengthen the stature and authority of the control-side functions**

Source: Goldman Sachs

The New York Times

JPMorgan Kept Jeffrey Epstein as a Client Despite Internal Warnings

Source: NYTimes

The New York Times

Goldman Sachs Is Said to Try to Avoid Pleading Guilty in 1MDB Scandal

The bank has asked the U.S. to review demands that any settlement include a guilty plea to a felony charge, according to people briefed on the matter.

Source: NYTimes

Hot Potato Economics: Fourth Time Is A Charm To Sell Garbage To Public Investors

GFL has been flipped around like a hot potato pancake among multiple owners, gone through five CFOs and on its fourth try, came public. Spruce Point believes GFL was in such need for new equity capital, that it finally IPO'ed in March 2020, one of the worst months, and least advantageous times to raise capital, ever for equities.

Nov 2017	Jan 2019	Nov 2019	March 2020: During Peak COVID-19 Turmoil
Macquarie-backed Canadian waste management firm GFL plans C$1 bln IPO	Canadian Waste Firm GFL Hires RBC, Goldman and BMO for IPO	GFL Seeks to Raise $2.1bn in Biggest Canada IPO Since 2004 / GFL Env't canceled its IPO plans	GFL raises $1.4 billion in IPO amid volatile markets

CFO	**Carlo Russo** **Oct 2008 – Dec 2012**	**Shawn Parnham** **Dec 11 – Aug 13**	**Roslyn Sambleton** **Sep 13 – Jan 17**	**David Beacon** **May 17 – Oct 18**	**Luke Pelosi** **Oct 18 – Present**
Investors	**Roark Capital / Genuity Capital / "Others?"** **2007-2010**	**Highbridge Capital / Hawthorn Equity** **Nov 2014**	**Macquarie Infrastructure** **Highbridge** **Feb 2016**	**BC Partners** **Ontario Teachers** **April 2018**	**Add: Mom and Pop And Public Owners** **March 2020**

Insights From Calls With Former GFL Employees: Will GFL Make Money?

Spruce Point	*"Do you have confidence GFL can make money?"*
Former GFL Employee 1	*"Under the current management structure and people, no. I would never put a dime in there. If you could see a mature management in the industry, absolutely, there's an opportunity….I have no confidence at this point and time."*
Spruce Point	*"Will GFL ever make money from a high level. They talk about opportunities to expand margins, and acquire. Based on your experience, will they achieve these objectives in the long-run?"*
Former GFL Employee 2	*"There are two parts, U.S. and Canada. Canada is quite saturated and prices are competitive. Chances of making big profits in solid waste, are not going to happen. GFL's main money maker is the infrastructure business. I am less familiar with the U.S. side of the business. It's tough to say if GFL will make money in the next year or two."*
Spruce Point	*"Does GFL have a path to profitability?"*
Former Employee 3	*"That's the wildcard in the GFL story, that's the gamble. Acquisitions play a key part to keep the momentum going. What happens when acquisitions stop? You need profitability. Can they turn around? Today they are not making money. That's a fact. I don't know if they can. They've acquired so rapidly."*

Spruce Point Capital Management

GFL's "Free Cash Flow" vs. Spruce Point Reality

We have shown that both GFL's operating cash flow and capital expenditures do not reconcile. As a result, we believe its free cash flow is also misstated. We believe true H1 2020 free cash flow burn was ~60% worse than reported by GFL.

It's Hard To Rely On GFL's Free Cash Flow Forecasts When Tangible Evidence That Both Operating Cash Flow And Capex Are Misstated

"When you think about how cash flow and leverage should play out over the balance of the year, we should incur an additional $140 million to $150 million of CAPEX and approximately $140 million, $145 million of cash interest costs in the second half of the year. If you layer on the conservative assumption of working capital, ending the year as cash flow neutral, you get to a free cash flow number of somewhere between $275 million and $300 million for the back half of the year, depending on your views of where we end up in terms of EBITDA." Source

C$ in mm	6M Ended June 30, 2019		6M Ended June 30, 2020		% Difference GFL vs. Reality H1 2020
	GFL Free Cash Flow	Spruce Point Adjusted Free Cash Flow	GFL Free Cash Flow	Spruce Point Adjusted Free Cash Flow	
Cash From Operations	$36.3	$36.3	$82.0	$40.9	-49.0%
Less: Purchase of PP&E & Intangibles (Capex)	($206.9)	($240.2)	($220.0)	($261.1)	+18.7%
Free Cash Flow	**($170.6)**	**($203.9)**	**($138.0)**	**($220.2)**	**-59.5%**

Source: GFL and Spruce Point Analysis
Note: Spruce Point Adjusted capex uses the "additions" from the PP&E footnotes

Since Jan 1, 2019 GFL has spent over C$1.8bn on acquisitions and OCF has barely increased while FCF has worsened. Granted there is a COVID-19 impact in H1 2020, but with so much money spent on acquisitions, Spruce Point is surprised there is no FCF growth.

GFL's CEO Has An Incomplete Biography And Has Connections To Many Controversial People

The Waste Management Industry

Right or wrong, the waste management business has often been associated with organized crime and illegal activity, a fact that GFL's CEO acknowledges and downplays. In fact, 18 years ago one of the largest corporate accounting frauds in U.S. history was perpetuated by Waste Management, a company audited by defunct auditor Arthur Andersen. GFL's audit engagement partner, Stephen Dominic DiGiacomo, started his career as a Staff Accountant at Arthur Andersen from 1999-2002. [1,2]

Dovigi Interview Globe & Mail Sept 2019 (3)

Dovigi has heard the rumours. "People like to think it's like an episode of The Sopranos. Given my last name, there's been some suspicion," he told an interviewer in 2012. Tony Soprano, America's favourite garbageman mobster, had only been off the air a few years when Dovigi splashed onto the scene in Toronto. Reflecting on the talk now, he laughs. "People would always say, 'Who is this kid? How's he doing this? It must be the Mafia that's involved,'" says Dovigi, whose stocky six-foot frame and dark hair would certainly get him an audition for the part. "The things people were saying were just insane. It was funny. It's all just noise."

"I'm in the waste management business. Everyone assumes your mobbed up. It's a stereotype."

Source: The Soprano's

Home | Previous Page

U.S. Securities and Exchange Commission

Waste Management Founder, Five Other Former Top Officers Sued for Massive Fraud

Defendants Inflated Profits by $1.7 Billion To Meet Earnings Targets;
Defendants Reap Millions in Ill-Gotten Gains While Defrauded Investors Lose More Than $6 Billion

FOR IMMEDIATE RELEASE
2002-44

Washington, D.C., March 26, 2002 — The Securities and Exchange Commission filed suit today against the founder and five other former top officers of Waste Management Inc., charging them with perpetrating a massive financial fraud lasting more than five years. The complaint, filed in U.S. District Court in Chicago, charges that defendants engaged in a systematic scheme to falsify and misrepresent Waste Management's financial results between 1992 and 1997.

Source: SEC Enforcement

1) PCAOB
2) DiGiacomo LinkedIn Profile
3) *"One Man's Trash, How Patrick Dovigi Built GFL Into A Waste Empire"*, Globe & Mail, Sept 2019

A New Face Emerges In The Waste Management Industry….

Despite the waste management industry being mature, and intensely competitive, there is a story of a rags to riches empire being built by Canadian Patrick Dovigi, founder of Green For Life (GFL). With the support of Canadian backers and banks, GFL has rolled-up over 143 companies since 2007. GFL's big break came in 2011 when it won a lucrative 7yr contract from the City of Toronto during controversial Mayor Rob Ford's tenure. Given the low bid submitted by GFL, some observers cried foul play.(1) During our research, we learned GFL turned to the U.S. as growth and competition limitations and constraints in certain Canada end markets like solid waste are being reached. Through a Nov 2018 merger with Waste Industries in the U.S., GFL became the 4th largest environmental services company in North America. In our opinion, Dovigi's success from aspiring NHL goalie to garbage magnate is a carefully curated narrative. However, based on our detailed investigative background check, forensic review of GFL's financials, and discussions with former employees knowledgeable about GFL, we believe investors should exercise extreme caution, have skepticism about GFL's financials, and question the "bull case" narrative being spun by stock promoters that it will become a profitable enterprise.

Source: The Globe And Mail

Source: Financial Post

Source: GFL

1) *"Bargain Basement" Garbage Contract Smells A Bit Fishy* – Ford For Toronto

Insights From A Call With A Former GFL Employee

Spruce Point	*"Can you talk about the history, who were the initial backers, whose idea was the operation, and how did it evolve? Seems like the initial equity backers have moved on at this point."*
Former GFL Employee	*"I have to say this very gently….a number of owners have come and gone and moved on. There's certainly a group still behind the scenes pulling the strings at this Company and I'm not prepared to say any more about that."*
Spruce Point	*"Would you describe them as highly ethical good people, should we do more investigation?"*
Former GFL Employee	*"You'll never find them, and you don't want anything to do with them..."*
Spruce Point	*"Why did you leave GFL?"*
Former GFL Employee	*"I felt the Company had to go in a different direction and it wasn't going there. I also had ethical concerns and had no interest in continuing with the Company."*

Note: These perspectives are from an employee of GFL who left over 3 years ago but still follows the Company

Why Does GFL's CEO Make Omissions In His SEC And SEDAR-Filed Biographies?

Dovigi's current biography was modified to omit his ties to Lower East Capital Partners (Andy DeFrancesco / Romeo DiBattista / Frank Mersch), which would have linked him to NGTV and other parties. His biographies also omits his role as VP, Brovi Investments (Romeo DiBattista), Right Lease, and PJD Properties – a currently active entity that Mr. Dovigi appears to use to develop and sell properties (eg. Recently a St. Regis condo in Florida). In the next slide, we highlight why investors might care about Dovigi's association with these businesses and people.

First Dovigi Biography Filed For GFL's IPO

Patrick Dovigi

Mr. Dovigi is the founder, President, Chief Executive Officer and Chairman of our board of directors. In 2002, Mr. Dovigi worked for Lower East Capital Partners in the special loans group before taking over his first waste business called Waste Excellence at the age of 24, and then subsequently going on to found GFL in 2007. Mr. Dovigi's goal was to create one of the largest and most diversified environmental services companies in Canada, which GFL is today. Prior to that, he was a professional hockey player for the Edmonton Oilers. Mr. Dovigi has been featured in the Globe and Mail, Toronto Sun, Toronto Star and Toronto Life magazines and was recently awarded EY Entrepreneur Of The Year™ 2017 in the Power & Utilities & Environment category.

Source: Initial F-1 Filed July 19, 2019

??

Final And Current Dovigi Biography For GFL

Patrick Dovigi

Mr. Dovigi is the Founder, President and CEO and Chairman of the Board of Directors of GFL. In 2007, Mr. Dovigi had a vision to create a company that is a "one-stop shop" provider of environmental solutions. Since then, drawing on the discipline he learned in his earlier hockey career, Mr. Dovigi has driven GFL to become the 4th largest environmental services company in North America. Mr. Dovigi has instilled an entrepreneurial culture in GFL's leadership team with a focus on operational excellence, sustainability and safety as core values. In 2017, he was recognized by Waste360 with a Top 40 under 40 award, and in the EY Entrepreneur of the Year™ Ontario Awards, as Entrepreneur of the Year in the Power & Utilities Sector. Mr. Dovigi currently serves on the board of directors of the Environmental Research & Education Foundation (EREF) and of the Toronto General & Western Hospital Foundation.

Source: Final Prospectus Filed March 4, 2020
GFL website

??

Dovigi's Director Bio with NGTV: Past Associations With Brovi Investments and Right Lease

Mr. Patrick Dovigi. Mr. Dovigi was elected to our board of directors in February 2004. Mr. Dovigi graduated from Ryerson University in Toronto, Canada in 2000 with a degree in Business Management. Prior to that he was employed by both the Edmonton Oilers and the Detroit Red Wings Organization of the National Hockey League (NHL) as a Professional Hockey player. From 2002 through 2004 Mr. Dovigi was Vice President of Brovi Investments. Since September 2004, he has also been President of Waste Excellence Corporation, a company involved in Municipal Waste and Recycling Transfer Stations. From 1999 through January 2002, Mr. Dovigi was Vice President of Right Lease, a construction equipment and automotive leasing company.

Source: S-1 NGTV, Field Feb 3, 2006

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern

Through either one or two degrees of separation, GFL's CEO has been closely associated with people that have been involved with various business scandals, some of which have involved charges (and convictions) for fraud and imprisonment.

GFL CEO Patrick Dovigi
Prior: Director, NGTV Feb 2004-2006
Prior: VP, Brovi Investments
Prior: Lower East Capital Partners
Concerns:
- *Brovi Sued Dovigi for allegedly misappropriating funds*
- *Donated To Ford's Campaign*

Richard David
Prior: CFO NGTV
Prior: Simon Marketing, VP of Finance and Administration
(Mob-linked McDonald's Scandal)
"Where were the controls?"

Todd Ficeto, Florian Homm
Past: Investor in NGTV through Hunter World Markets
Fraudulent Scheme To Manipulate Stocks

Frank Mersch
Current: Front Street Cap.
Past: Lower East Capital Partners (NGTV)
Past: Altamira Mgmt.
OSC: Misleading regulators; trading ban

Chuck Rizzo
Current: Prison/Felon
Prior: Rizzo Environmental a growth partner to GFL

Gregg Mulholland
Current: Prison/Felon
Dovigi had Property Dealings With The Mulholland's. Gregg Is A Two-Time SEC Charged Stock Promoter

Andy DeFrancesco
Current: Delavaco
Prior: Director, NGTV
(owner Lower East Capital Partners)
Prior: Fareport Capital (Scandal)
Prior: Aphria Scandal
Prior: Sol Global
Prior: Perfesians Holdings
Prior: InfoSonics/Cool Holdings

Romeo DiBattista, Jr
Current: Brovi Investments
Current: Owner Regent Capital
(formerly Kingsdale)
Prior: Fareport Capital (Scandal)
(owner: Lower East Capital Partners)
Prior: Bellair Ventures
Prior: Perfesians Holdings

Michael Galloro
Prior: Delavaco
Prior: InfoSonics/Cool Holdings
Prior: Bellair Ventures
Prior: Venaxis/Bioptix

Barry Honig
"Microcap Fraudster"
Past: Riot Blockchain
Past: Venaxis/Bioptix

Rob Ford (Wikipedia)
Current: Deceased
Prior: Mayor Toronto
Scandal: Crack Cocaine Use / Alleged Ties to Organized Crime

Doug Ford (Wikipedia)
Alleged Drug History

Toronto Star investigation cites that Ford and DiBattista Jr. know each other and have spent time at DiBattista Jr's club

Controversy: Did GFL Win Its Toronto Garbage Contract Fairly?
"Bargain Basement" Contract Smells Fishy
"Garbage In, Garbage Out"
"Winning Bidder No Stranger To Controversy"

Paul Borrelli
Past: GFL Executive
Current: Employee

Antonio Borrelli
Past: Prison
Gunman in shooting sent back to prison for continuing to meet with mobsters

Peter Scarcella
(Uncle of Antonio)
Past: Prison
"*Top Mob Boss*"

Gord Churchill
Past: Earthworx
Plead guilty of police officer impersonation, weapons, drug production
Sons: Nick and Jody Churchill

Claudio Villa
Current: Campus Auto Collision
Prior*:* Director Earthworx

Villa plead guilty and fined in relation to dumping toxic dirt

Donald R. Pollard
Current:
CEO Lakeridge (U.S. Subsidiary of Regent Capital)

Pollard Pled Guilty To Criminal Charge of Falsifying Business Records Tied To A Cash For Gold Operation

Spruce Point
Capital Management

Alleged Connection To "Organized Crime".....

Prior to GFL, Dovigi worked for Romeo DiBattista at Waste Excellence Corporation "WEC".(1,2) WEC emerged from 310 Waste, a company charged with numerous environmental issues with three men sent to jail.
From a blog on the internet claiming to be a deposition in the trial of 310 Waste, a deponent referred to Pat Dovigi, Andy DeFrancesco and Romeo DiBattista as *"part of organized crime"*.(3)

Q. April 19th, page 224.
A. Yes.
627. Q. Getting closer to the actual date of the proxy fight, and I gather you are writing to Mr. Sansone to ask him to try and find you some information?
A. Yes, Sansone's friend, Robert's friend is Standard Securities, that is Andy DeFrancesco, who has now perjured himself, probably, under this case. Romeo Senior and Junior...
628. Q. Who is Pat?
A. Pat Dovigi, who I think perjured himself, as well, in this case, a friend of Robert
00113
Sansone.
629. Q. Lots of liars?
A. Yes, they are all part of organized crime...
630. Q. So the Andy and Pat are...
A. Andy's friends.
631. Q. ...are Andy DeFrancesco and Pat Dovigi?
A. Pat Dovigi, yes. So Robert knows them.

Source UrbanToronto and Source

1) Waste Excellence Corp
2) The Star
3) The claimed leaked transcript has not been verified through the Canadian court system. As a result, Spruce Point does not endorse the authenticity or accuracy of this information.

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

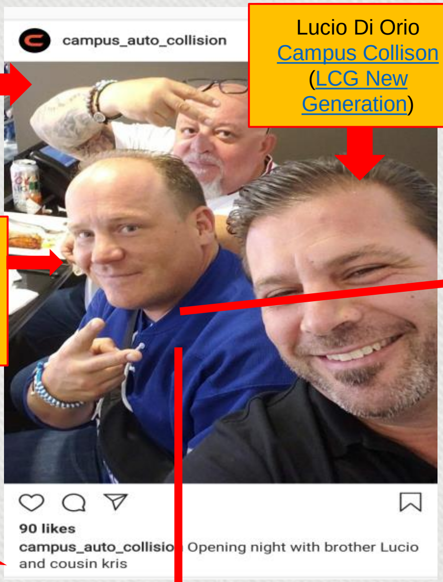
GFL uses Campus Auto Collusion for its vehicle and equipment refurbishment. This reconnects CEO Dovigi with Claudio Villa, who plead guilty at Earthworx in 2015 for dumping toxic dirt, while charges against GFL were dropped. Per Campus' Instagram, Mr. Villa maintains relationships with individuals described as cousins. These individuals have names and images similar to those with past legal issues.

GFL CEO
Pat Dovigi

Claudio
Villa
Campus Collison
(Prior: Earthworx)

Appears
Similar To
Kris Della Pia
in the image
below

"Cousin Kris"



Lucio Di Orio
Campus Collison
(LCG New
Generation)

"cuz"

***Soil broker Earthworx convicted of dumping toxic dirt at sheep farm -** March 2015*

*"In a Star story last fall, GFL president and CEO Patrick Dovigi said his company chose to be a good corporate citizen by cleaning up the mess left on farmer Ruco Braat's land, in the hamlet of Bailieboro. Dovigi also said GFL took just 192 truckloads to the farm and suggested that another soil company brought the dirty soil to Braat's land. **After pleading guilty last week, Earthworx and its director, Claudio Villa, were fined $84,500** (plus a 25 per cent victim surcharge) for offences related to the deposit of soil contaminated with metals and organic compounds on the sheep farm."* Source


Pallbearers wearing white roses escort the casket of Salvatore Calautti at St. Margaret Mary Roman Catholic Church in Woodbridge. Second from left is Kris Della Pia, convicted of a drug conspiracy in a gang with an ex-Toronto police officer.

Mob Events No Longer What They Used To Be
"Kris Della Pia, convicted of a drug conspiracy in a gang with an ex-Toronto officer."
Source and Source

Employee Observation

One employee listed as a driver, says "I think management get kick backs".

3.0

just a job

driver (Current Employee) - Toronto, ON - 5 September 2018

city contract is excellent. private sector of company is run buy people that think they own the company and will step on anyone that gets in the way. the equipment is very unreliable and not very safe for the road. roll offs very old for work some off the front end equipment should not even be on the road. they talk safety but it is only when it work for office not employee. if you go through agency for work make sure that you get they to sign a paper that said you will get hired in 3 months or you will never get hired i think management get kick backs and not only they can fire you at any time. good luck buy the end of the year the union will be in there because of the unfair treatment of employees for work and wages very from one person to another. supervisors and management are all friends out side of work and that is how they got the job not by experience or good work. if i owned this company i would fire all management and supervisors so much money being wasted. thank for reading

✓ **Pros**
job

✗ **Cons**
low wages. low benefits. pore management

Source: Indeed

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

At the same address as Campus Auto Collusion, where GFL sends trucks for refurbishment, there is another business registered called LCG New Generation. Mr. Di Orio, an owner of Campus, and Mr. Kris Della Pia are listed as the Directors of the Company

Note

This information is available to the public in accordance with legislation (see Public disclosure of corporate information).

Corporation Number	927909-1
Business Number (BN)	822988168RC0001
Corporate Name	LCG NEW GENERATION INC.
Status	Active
Governing Legislation	*Canada Business Corporations Act* - 2015-05-04

Order a Corporate Profile [View PDF Sample] [View HTML Sample].
PDF Readers

Registered Office Address

45 LEPAGE COURT
North York ON M3J 2A2
Canada

Same Address As Campus Auto Collision

Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1 **Maximum** 10

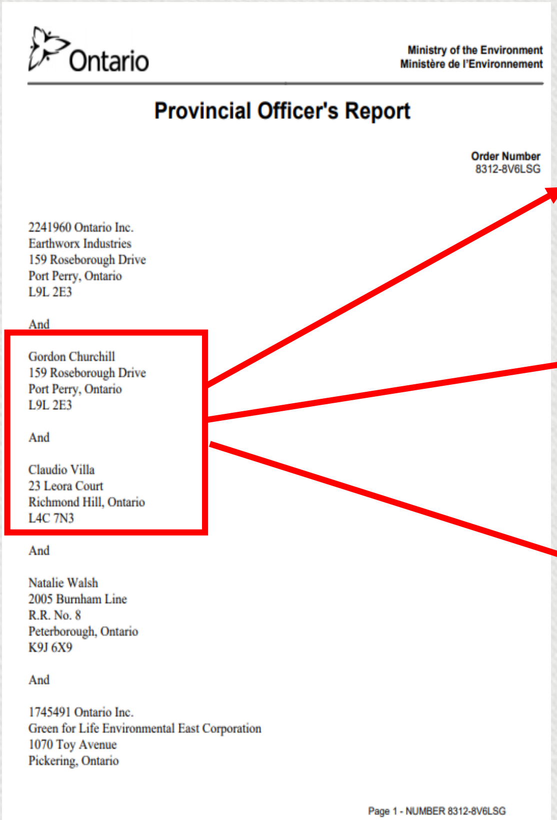
Lucio Di Iorio
336 Athabasca Drive
Maple ON L6A 3S1
Canada

Kristofer Della Pia
45 LePage Crt.
Toronto ON M3J 2A2
Canada

Source

CEO Dovigi's Associations Should Give Investors Cause For Serious Concern (Cont'd)

Earthworx also connects GFL, Mr. Dovigi and Director Dino Chiesa, to Gordon Churchill of Port Perry. Mr Churchill, in addition to Mr. Villa, were both referenced as directors/owners of Earthworx. Gordon pleaded guilty in June 2007 to charges of production of a controlled substance, unauthorized possession of a firearm and misconduct by peace officer. Gordon's son Nick Churchill follows Villa's Campus Auto on Instagram. Nick Churchill was also sentenced to prison.



Ontario

Ministry of the Environment
Ministère de l'Environnement

Provincial Officer's Report

Order Number
8312-8V6LSG

2241960 Ontario Inc.
Earthworx Industries
159 Roseborough Drive
Port Perry, Ontario
L9L 2E3

And

Gordon Churchill
159 Roseborough Drive
Port Perry, Ontario
L9L 2E3

And

Claudio Villa
23 Leora Court
Richmond Hill, Ontario
L4C 7N3

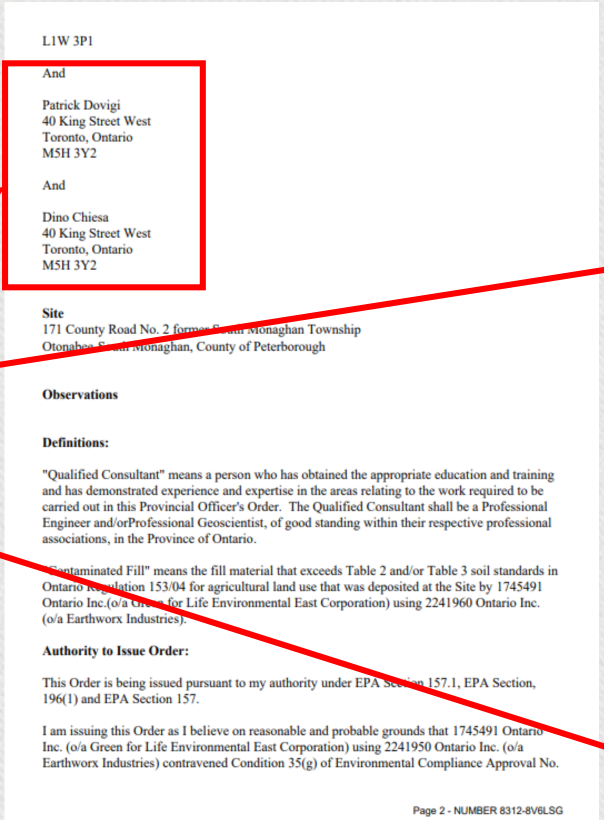
And

Natalie Walsh
2005 Burnham Line
R.R. No. 8
Peterborough, Ontario
K9J 6X9

And

1745491 Ontario Inc.
Green for Life Environmental East Corporation
1070 Toy Avenue
Pickering, Ontario

Page 1 - NUMBER 8312-8V6LSG



L1W 3P1

And

Patrick Dovigi
40 King Street West
Toronto, Ontario
M5H 3Y2

And

Dino Chiesa
40 King Street West
Toronto, Ontario
M5H 3Y2

Site
171 County Road No. 2 former South Monaghan Township
Otonabee-South Monaghan, County of Peterborough

Observations

Definitions:

"Qualified Consultant" means a person who has obtained the appropriate education and training and has demonstrated experience and expertise in the areas relating to the work required to be carried out in this Provincial Officer's Order. The Qualified Consultant shall be a Professional Engineer and/orProfessional Geoscientist, of good standing within their respective professional associations, in the Province of Ontario.

"Contaminated Fill" means the fill material that exceeds Table 2 and/or Table 3 soil standards in Ontario Regulation 153/04 for agricultural land use that was deposited at the Site by 1745491 Ontario Inc.(o/a Green for Life Environmental East Corporation) using 2241960 Ontario Inc. (o/a Earthworx Industries).

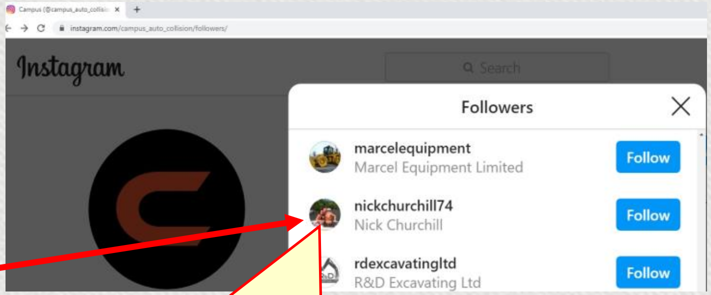
Authority to Issue Order:

This Order is being issued pursuant to my authority under EPA Section 157.1, EPA Section, 196(1) and EPA Section 157.

I am issuing this Order as I believe on reasonable and probable grounds that 1745491 Ontario Inc. (o/a Green for Life Environmental East Corporation) using 2241950 Ontario Inc. (o/a Earthworx Industries) contravened Condition 35(g) of Environmental Compliance Approval No.

Page 2 - NUMBER 8312-8V6LSG

Source and Source



Source

Former Fenelon Township man sentenced to two years in jail after failed attempt to rip off marijuana grow

Dressing as a police officer and carrying a loaded rifle to rip off a marijuana grow operation in 2003 has resulted in a penitentiary sentence for a former Fenelon Township man. ***Nick Churchill, 34****, did not visibly react as he was sentenced on Monday (Jan. 26) to two years in prison*

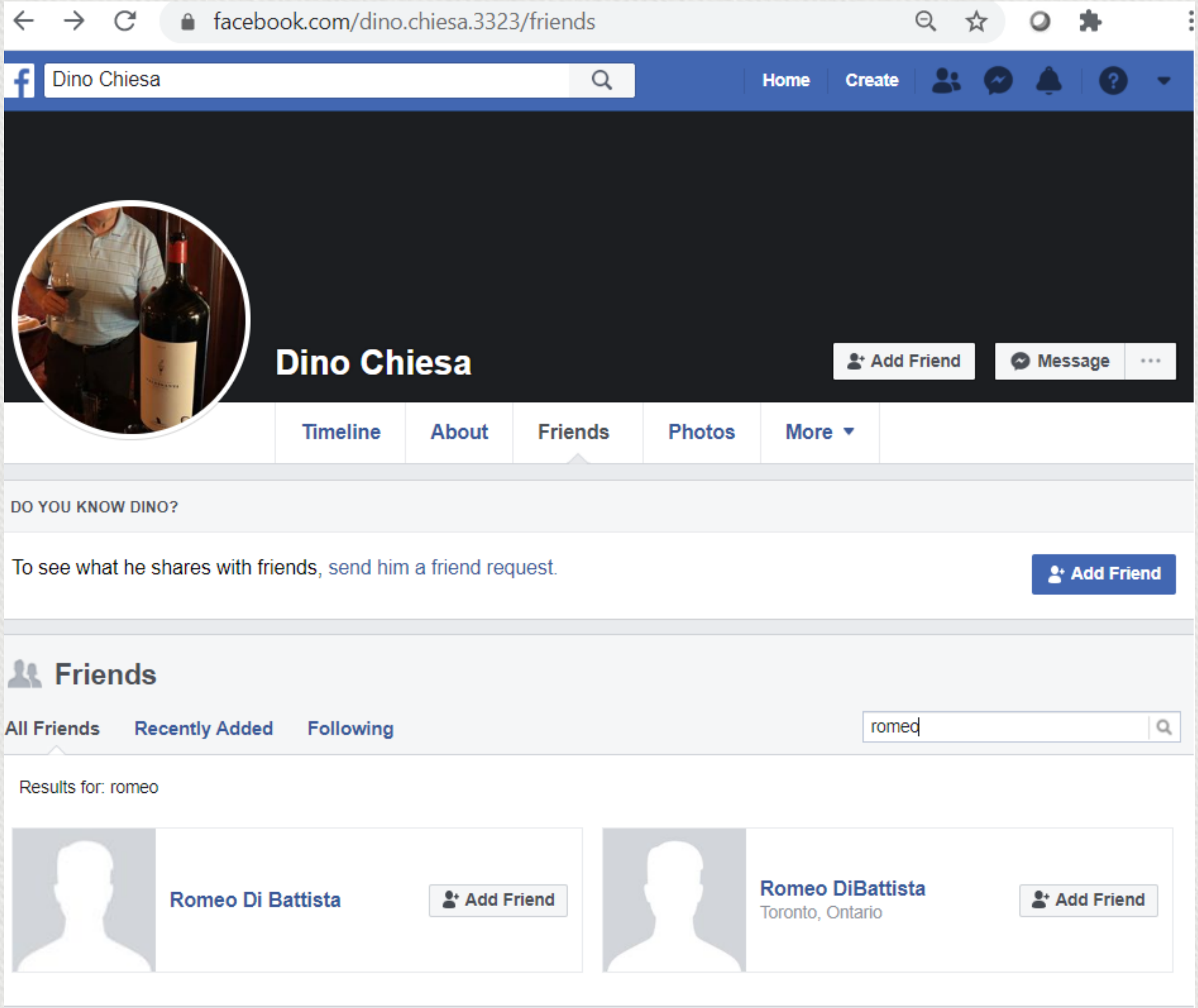
….

Mr. Churchill's father, Gordon, 55*, and brother, Jody, 31, Garfield Lefort, 33, and Phillip Weddel, 34, all of Port Perry, received jail terms and hefty fines when they were sentenced last year*

Source / Source

Board Member Friends With Romeo DiBattista

GFL's longest tenured Director is Dino Chiesa. We find him connected to Mr. DiBattista on Facebook as friends.



Source: Facebook

Spruce Point Capital Management

Lots of Question Marks Around GFL And Its CEO According To The Local Press

City staff had anticipated a $6-million savings by carrying out Mayor Rob Ford's controversial plan to privatize garbage collection; GFL is offering closer to $11-million in annual savings. ***But opponents of Mayor Rob Ford's plan to contract out garbage questioned whether the company's bargain bid -- GFL undercut the next lowest bidder by $3.5-million -- is too good to be true.***

"Right now I can't believe that this bid is true and I haven't received either from the independent financial review or city staff enough reassurance that I should trust this number," said Councillor Gord Perks, who sits on the public works committee. Mr. Perks said he fears the company's bid is too low to be sustainable and will require residents to either fork over more cash in coming years or have no waste collection services should operations fail.

"If they can't deliver on price, we are going to find ourselves two or three years from now with them holding a gun to our heads because we will have laid off our staff, sold our trucks and will be completely dependent on them," he said. ***"I have particular concerns with this contract because it is so far off the mark that the rest of the marketplace has set."***

Councillors in Kawartha Lakes recently rejected a contract renewal with GFL, despite the company submitting the lowest bid. City staff argued that its bid was "misleading" and decided to give the contract to Miller Waste Systems, according to reports*.*

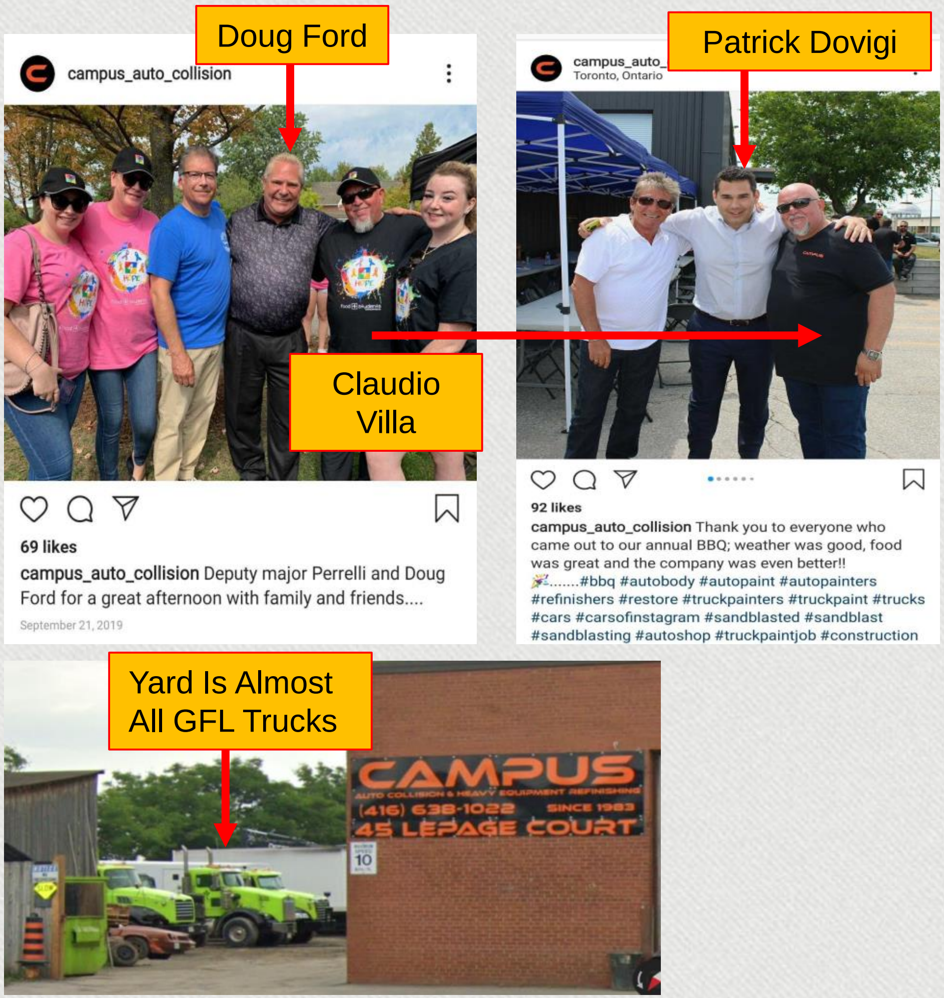
Source: *"Winning bidder for Toronto garbage contract no stranger to controversy"* - The Globe and Mail, Oct 19, 2011

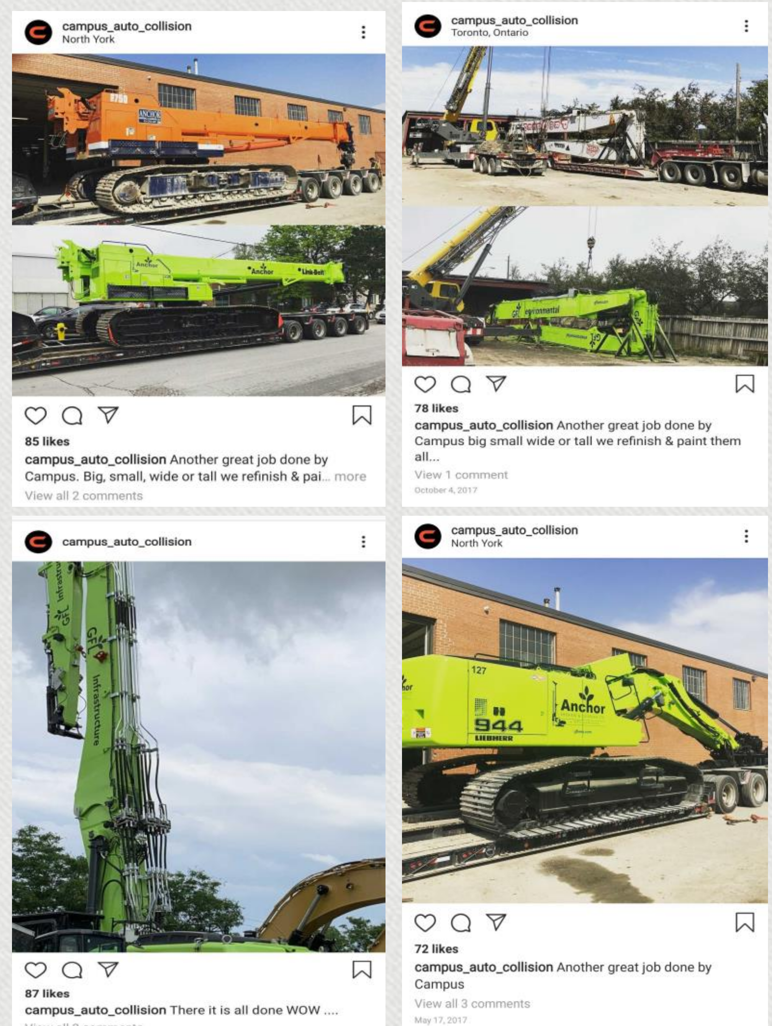
"But in April, 2007, his mentor, Romeo DiBattista Sr., informed him that his services were no longer needed. The DiBattista family, which had stakes in businesses as diverse as concrete-forming, meat processing, real estate and broadcasting, ***also sued Dovigi for allegedly misappropriating $673,000 in funds****."*

Source: *"Business is picking up at garbage upstart Green for Life"* - The Globe and Mail, Feb 3, 2015
Note: The suit was settled

Dovigi And Ford Connection

CEO Dovigi has a relationship with Campus Auto Collison, which by public photographs services GFL's fleet refurbishment. Campus Collision also is friendly with Doug Ford (as seen in the photo below), who the Globe and Mail said has a history with drug dealing.[1] Dovigi and Ford are in a small circle, centered around Campus Auto Collison.





Source: Google images (July 2019)

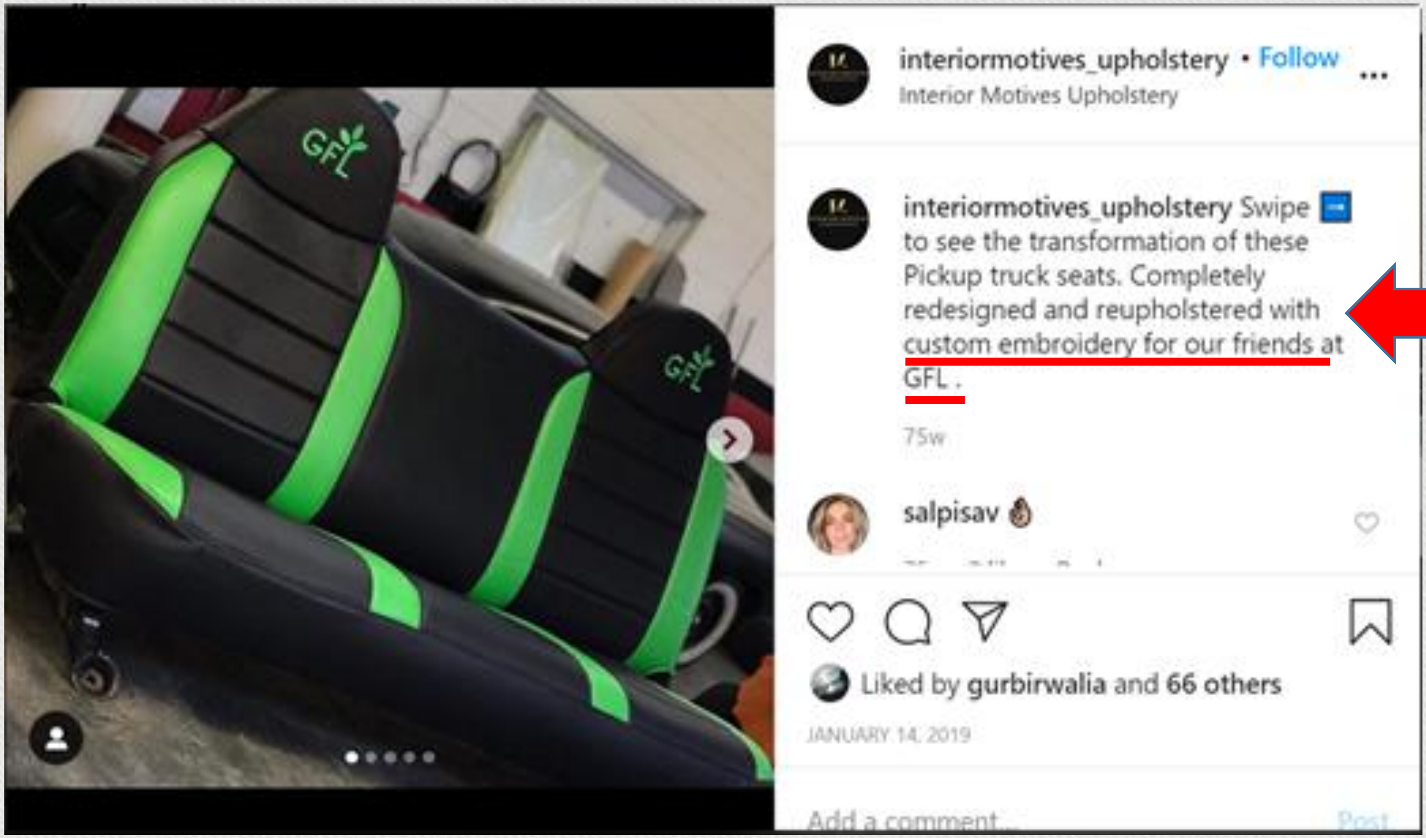
1) *"The Ford Family's History With Drug Dealing"*, Globe and Mail, May 25, 2013

Vanity Projects With Friends That Are Dead Costs With No Return To Investors

For a Company that struggles to generate positive free cash flow, GFL is not shy about spending on areas of the business that add nothing to the bottom line, but help friends of GFL. Below is an example of, admittedly, excellent work by a company called Interior Motives Upholstery.

Former GFL Employee

"The Company has a lot of leakage, as in revenue coming in and cost going out."



Hopefully Arms-Length Transactions And GFL Paying A "Fair" Price

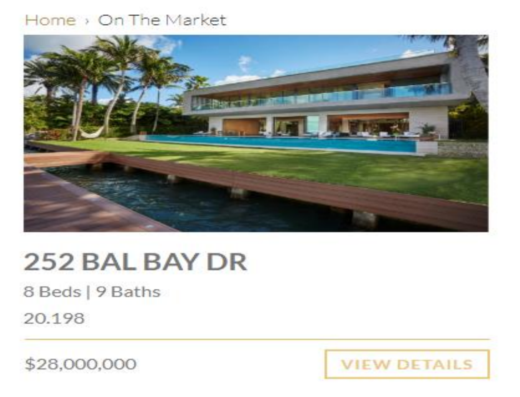
Source: [Instagram]

Spruce Point Does Not Suggest Investing In "Larger Than Life" CEOs

Spruce Point Warning

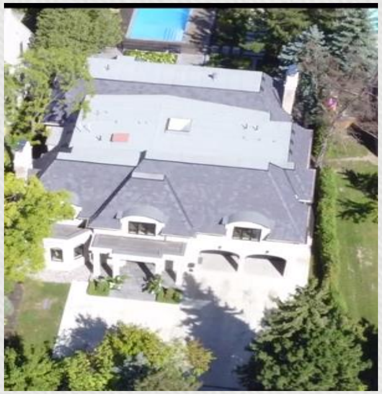
Based on our research and opinion, we believe CEO Dovigi lives a large lifestyle, supported by generous company perks such as a car allowance and private use of jet. We have identified multiple marquee properties owned by Dovigi. **He is known to have a side hobby of developing properties, which has engendered complaints and lawsuits**.[1] Spruce Point does not believe investors should accept its CEO being distracted with real estate ventures on the side.

Miami



Source / Source

Toronto



Source and Source

Top of Ritz Carlton: Toronto

Source

Muskoka Island House

This classic Muskoka home measures 8,000 square feet. Built in 2000, it is listed for US$7.7 million. In July 2015, a 15.7-acre island sold for 10.5 million Canadian dollars, crushing local price records. JENNIFER ROBERTS FOR THE WALL STREET JOURNAL

Source

Whistler

Source: NSNews

88 Davenport - Toronto

Source: GeoWarehouse

1) District of Muskoka

Spruce Point Does Not Suggest Investing In "Larger Than Life" CEOs (Cont'd)

Spruce Warning

Shareholders are picking up the tab for CEO Dovigi to purchase a new car annually and personal use of the Company jet. As a CEO who is reportedly a billionaire, it begs the question why can't he afford this on his own without burdening GFL, a chronically cash consumptive enterprise, with these additional costs.

Source: Chartright

Source: Lady Jorgia and SuperYacht

*"On the day of our photo shoot, **Dovigi arrives in a sleek black Lamborghini SUV**, which he'd bought three months earlier and planned to swap for another set of wheels three months later. "I don't smoke, I don't drink, I don't do drugs. **I don't have any vices except for one—cars**," he says. "**Every six months, I get a new one**."*

Source: *"Trash Talking, How Patrick Dovigi Built GFL Into A Waste Empire"*, Globe and Mail, August 2019

targeted at 150% of his annual base salary, which may be increased to 200% at the discretion of the board of directors. In lieu of any pension obligations, Mr. Dovigi or his affiliates will also be the beneficiary of a whole life insurance policy, the premiums for which will be paid for by the Company. In addition to the above, Mr. Dovigi will be entitled to participate in our benefit plans and receive certain perquisites such as a car allowance up to a maximum of $125,000 per annum and personal plane hours.

Source: IPO Prospectus, p.179

Obscured Related-Party Dealing With The CEO

Spruce Point Capital Management

The Company leases property from PJD Properties Inc. Upon further investigation, we find that this is an entity controlled by CEO Patrick J. Dovigi. Why didn't GFL describe this in its notes on related party transactions, and what, if any, other transactions are not being disclosed?

Item No.	Landlord	Municipal Address
10.	Penguin-Calloway (Vaughan) Inc.	100 New Park Place, Suite 500, Metropolitan Center, Vaughan, ON
11.	PJD Properties Inc.	135 Yorkville, Level 8, Toronto, ON
12.	Alliance Transfer Station Corp.	281 Alliance Road, Milton, ON
13.	Waste Management of Canada Corporation	14131 Bayview Avenue, Aurora, ON

PJD = Patrick J. Dovigi (source)

Feb 19, 2019 Credit Agreement, filed March 11, 2020

No Disclosure About Renting CEO's Office Space

Related Party Transactions

We entered into a loan in the amount of $1.2 million with Patrick Dovigi for the purposes of acquiring 1,200,000 Class C non-voting common shares in the capital of the Company. The loan was repayable on the earlier of the occurrence of a liquidity event and November 14, 2025. The loan was subject to an interest rate of 1% per annum, accrued daily. Interest was payable annually, in arrears, on November 14 of each year commencing on November 14, 2019. As at December 31, 2019, the loan was repaid in full.

We advanced $157.6 million to Sejosa Holdings Inc., an entity controlled by Patrick Dovigi, for the purposes of acquiring 157,644,909 Class F non-voting common shares due upon a liquidity event. As at December 31, 2019, the indebtedness was repaid in full.

During the period ended May 31, 2018, we redeemed 8,486,921 Class C and 11,572,255 Class D shares issued to Josaud Holdings Inc., an entity controlled by Patrick Dovigi, for $20.1 million.

Additionally, during the period ended May 31, 2018, we redeemed 2,635,129 Class F shares for $5.1 million held by Josaud Holdings Inc.

In connection with the Recapitalization, we also issued a non-interest bearing promissory note payable to Josaud Holdings Inc., an entity controlled by Patrick Dovigi, in an aggregate principal amount of $35.0 million, which is scheduled to mature on January 1, 2023. The note is being repaid in installments of $3.5 million every six months. As at December 31, 2019, there is $21.0 million outstanding principal amount.

Subsequent to December 31, 2019, we issued a total of 348,921,912 Non-Voting Shares to certain of our existing shareholders for aggregate cash consideration of $348.9 million (US$264.7 million), representing a value of $1.00 per share.

IPO Prospectus

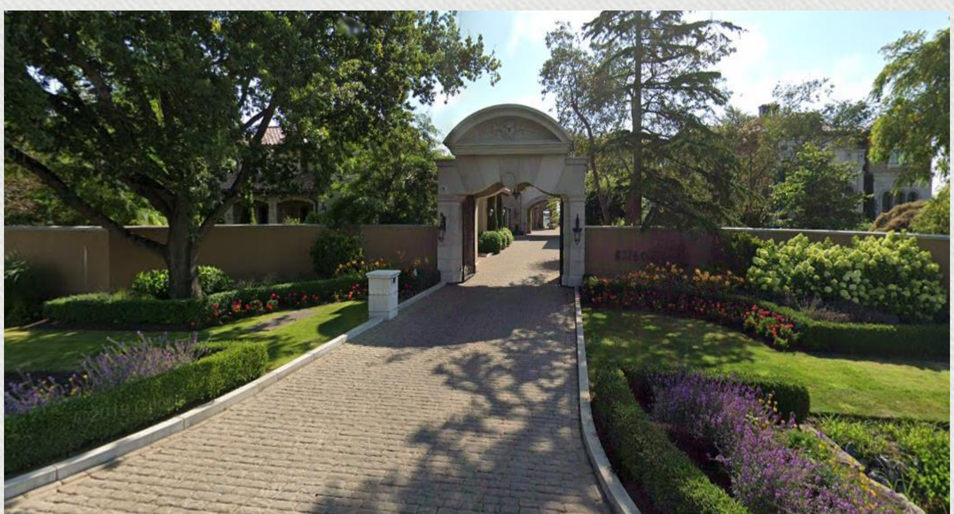
Why Is GFL Leasing A Mansion From A Current Employee?

Given the multitude of lavish properties that CEO Dovigi owns, we find it unusual that GFL leases a mansion from Daryl Goodwin, a current employee and seller of Enviro-Smart Organics to GFL. We believe this should be considered a related-party transaction. We believe this is an excessive perquisite for an employee, even if a portion of the land is being used for business purposes.[1] Does CEO Dovigi use this property as well when in BC?

Item No.	Landlord	Municipal Address
British Columbia		
46.	West Coast Farms Ltd.	4295-72nd Street, Delta, BC
47.	Hungtai Enterprises Inc.	4384-46A Street, Delta, BC
48.	Daryl Goodwin	4230 46A Street, Delta, BC
49.	Daryl Goodwin	3760 72 Street, Delta, BC

Feb 19, 2019 Credit Agreement, filed March 11, 2020

Daryl Goodwin:
Current: GFL District Manager / Enviro-Smart Organics



Source: Google Maps 1) City of Delta Report

Evidence of Aggressive Revenue, EBITDA, Adjusted EPS, Free Cash Flow, Debt Presentation And Serious Financial Control Issues

Obscured Organic Growth And Inability To Gauge GFL's Economic Roll-Up Value Creation

Spruce Point has consistently argued that roll-up investments should be evaluated on the merits of their ability to produce organic revenue growth, and by extension, organic earnings and cash flow. We observe that GFL, having completed over 143 acquisitions, does not give investors adequate disclosures or insight into organic growth. The crux of the issue is that GFL does not announce, or disclose, the names of many of its acquisitions. For acquisitions that are disclosed, it infrequently provides acquisition deal size or financial contributions of targets.

GFL's disclosures make it impossible for investors to evaluate its ability to create value.

GFL Q1 2020 MD&A

*"Our ability to continue to grow our business and generate improvements in our financial performance depend on our ability to continue to expand our environmental services platform **by leveraging our diversified business model** to broaden our geographic reach and scalable capabilities. Our success in achieving this growth and improvements is dependent on our ability to execute on our three-pronged strategy of: **(i) continuing to generate strong, stable organic revenue growth**; (ii) successfully executing strategic, accretive acquisitions; and (iii) **continuing to drive operating cost efficiencies across our platform**."*

Canada Industry Observer

"If I were to take a conservative estimate, well over 50% of GFL's 100+ acquisitions I'd characterize as a failure."

Disclosure Category	Spruce Point Observation
Individual Acquisition Announcements	Larger ones some times, smaller ones infrequent/never
Discloses Price Paid	Sometimes
Discloses Consideration Mix (Cash/Stock/Note/Earnout)	Rarely
Discloses Sales of Acquired Entity (growth history)	Sometimes (never)
Discloses EBITDA Contributed	Rarely
Discloses Growth History/Expectations of Acquisition	Never
Discloses Capex To Grow/Maintain the Acquisition	Rarely
Ongoing Financial Reporting	
Contribution to sales of Acquisitions	Only on consolidated basis (1)
Segment: Solid Waste	Only quantified price/volume in residential, not commercial
Segment: Infrastructure	Did not quantify mix between organic price/volume
Segment: Liquid Waste	Did not quantify mix between organic price/volume
Contribution to Operating Costs of Acquisitions	Just a generic statement about acquisitions driving up costs

1) The Q1 2020 and Q2 2020 disclosure provided was irrelevant to determining the current quarter impact, citing revenues since April 1, 2019: Q1 Example: *"Revenue from acquisitions completed since April 1, 2019 accounted for approximately $180.2 million of the increase, the majority of which was in our Solid Waste business"*

SPRUCE POINT CAPITAL MANAGEMENT

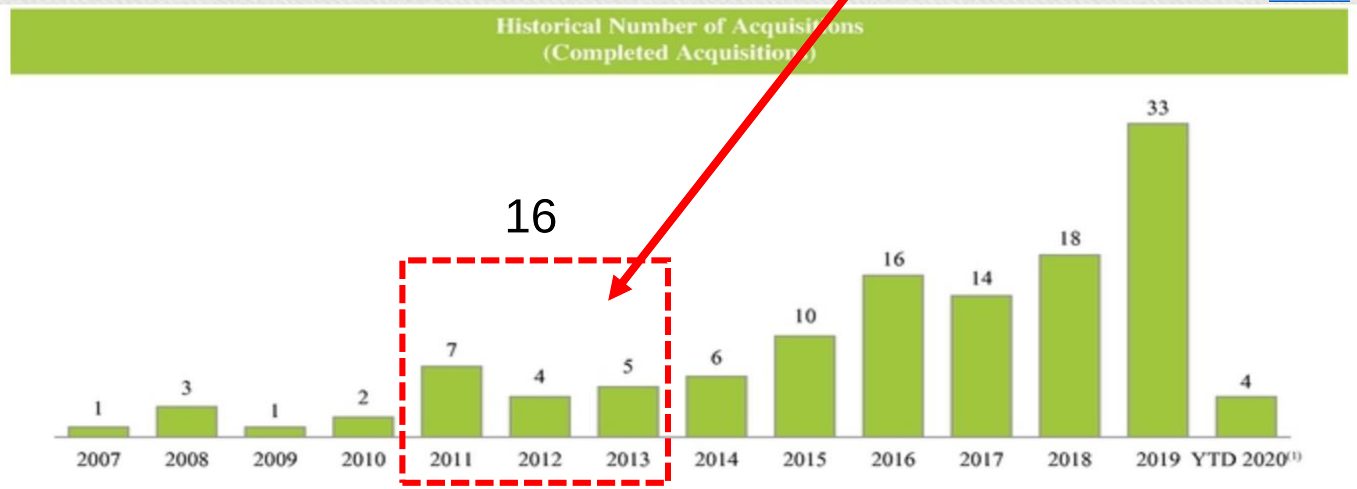
Inability To Reconcile GFL's Acquisition Claims

Former GFL CFO Shawn Parnham started in Dec 2011 and left 2013, claiming 21 completed deals. Yet, GFL's total deals completed from 2011 – 2013 are claimed to be 16, and total deals from 2007-2013 are 23.
It's hard to have faith in GFL's numbers when they don't reconcile.

Chief Financial Officer
GFL Environmental Inc.
Dec 2011 – Aug 2013 · 1 yr 9 mos

Green for Life Environmental (GFL) is a Canadian diversified environmental services company offering services in solid waste management, liquid waste management, soil remediation and excavation. Through its national platform of 36 Canadian locations, GFL completed 21 acquisitions and generated sales in excess of $370 million (current sales in excess of $1 billion).
• Member of Executive team reporting to the CEO and Board of Directors, leading a team of direct reports which included corporate finance, operation accounting, tax, IT and HR. Liaison with other functional departments to drive the strategic plans and growth both through multiple acquisitions and internal growth opportunities.

Source: LinkedIn



(1) YTD 2020 includes transactions we closed from January 1, 2020 up to the date of this prospectus.

Source: GFL F-1 p.14

By Our Estimation, GFL's Business Model Has No Operating Leverage

GFL Claim

"By positioning ourselves as a "one-stop" environmental services provider, we plan to leverage our diverse service offerings to unlock potential cross-selling opportunities across our business lines. As we execute on our growth strategies, we will continue to leverage our scalable capabilities to manage costs and drive higher operating margins."

Spruce Point Reality

Spruce Point stress-tests this claim by analyzing GFL's revenue and key operating costs per employee, the two biggest being employee benefits and transfer and disposal fees. We find no evidence of operating leverage being created.

Revenue Per Employee

C$ in mm	2016	2017	2018	2019	LTM 3/31/20	CAGR 2017-2019
Revenues (A)	--	$1,333.1	$1,852.6	$3,346.9	$3,557.3	58.4%
Employees	4,381	5,071	9,500	11,500	13,000	50.6%
Avg Employees (B)	--	4,726	7,286	10,500	11,333	49.1%
Total Revenues / Avg Employee (A/B)	**--**	**$282,078**	**$254,286**	**$318,752**	**$313,885**	**6.3%**

Cost Per Employee

C$ in mm	2017	2018	2019	LTM 3/31/20	CAGR 2017-2019
Transfer/Disposal Costs (A)	$348.0	$475.9	$873.5	$919.7	58.4%
Total Employee Benefits (B)	$409.4	$590.7	$1,022.5	$1,102.5	58.0%
Average Employees (C)	4,726	7,286	10,500	11,333	49.1%
Transfer/Disposal Costs per Average Employee (A/C)	**$73,637**	**$65,317**	**$83,193**	**$81,152**	**6.3%**
Total Wages and Comp / Average Employee (B/C)	**$86,632**	**$81,076**	**$97,379**	**$97,278**	**6.0%**

Source: Pre-Covid19 analysis of GFL financials and Spruce Point Research.

Spruce Point Capital Management

Insights From A Call With A Former GFL Employee Confirm Our View

Spruce Point	*"GFL prospectus claims margin expansion opportunities: "As we execute on our growth strategies, we will continue to leverage our scalable capabilities to manage costs and drive higher operating margins". What do you think of this?"*
Former GFL Employee	*"(Chuckle) It's a pretty story; sounds awfully good. You can't achieve that if you don't have the structure in place. Let me explain. No secret they wanted to go public multiple times but failed. Have to have a national infrastructure and systems in place; GFL doesn't have it in place. Mr Dovigi is reluctant to do it. That's a roadblock. The history of GFL is independent cowboy operators, which is great, but when you try to put senior managers from the large public companies in place, none of them last. Look at the CFO position, they've had like 5 people roll through that position in 4 years. Patrick runs it his way."*
Spruce Point	*"What is your opinion of GFL's financial and accounting reporting systems? Were they accurate and robust enough to give investors an accurate and insightful view of the Company?"*
Former GFL Employee	*"Yes, I think the IT infrastructure is solid, but where they breakdown is on the operations. If you don't have a robust operational accounting system, you can't roll that properly upstairs. One problem is if you don't have independent reporting for each line of business, you get movement of cost and revenue that shouldn't move. So for example, if you want to beef up the margins in one business you allocate costs [elsewhere]. That's one weakness in the financials for sure. Commercial should be doing 36% of EBIT, Industrial 16%, Residential 10% of EBIT. Transfer stations can be either a cost or profit center. So when the market is looking is looking for 35/36% commercial and you're not producing that, you can move costs to the transfer station where no one cares or landfill where you're making 46/50% and you can see those shenanigans going on without proper operational reporting."*
Former GFL Employee	*"GFL will play with its numbers. If one division is outperforming to forecasts, they'll transfer some of those dollars to a division that isn't performing so well to bolster those numbers. An example would be between hauling and transfer stations. They'll allocate the repair/fuel/labor to truck repair and transfer, over to hauling to bolster either P&L to basically suit what the market is looking for. Should they do it, no, do they do it, yes. But that's not unique to GFL; GFL is a special case. GFL is aggressive."*
Spruce Point	*"Do you think it's a stretch they are making 22% EBITDA margins."*
Former GFL Employee	*"I can tell you from my perspective from the business I was involved in, they were operating no where near industry standard."*

Note: These perspectives are from an employee of GFL who left over 3 years ago but still follows the Company

SPRUCE POINT
CAPITAL MANAGEMENT

GFL's Material Weakness: Was It Resolved, Or Quietly Minimized?

From its first SEC filing on July 19th 2019 – Feb 3th, 2020 GFL included language that pointed to a material weakness of financial controls. Yet, mysteriously this language disappeared in its final IPO prospectus in March 2020, leading investors to believe that the weakness was either remedied or did not exist.(1) Upon further investigation, including a review of GFL's Q1 and Q2 2020 results, Spruce Point finds evidence that financial control deficiencies may still exist.

Failure to comply with requirements to design, implement and maintain effective internal control over financial reporting could have a material adverse effect on our business and stock price.

As a privately-held company, we were not required to evaluate our internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404(a) of the Sarbanes-Oxley Act ("Section 404"), in the United States, or National Instrument 52-109Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), in Canada.

In connection with the audit of our consolidated financial statements, management has identified certain control deficiencies during its time as a privately-held company that together amount to a material weakness. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis**. During this time, we did not have in place an effective control environment with formal processes and procedures or an adequate number of accounting personnel with the appropriate technical training in, and experience with, IFRS to allow for a detailed review of complex accounting transactions, including business combinations, that would identify errors in a timely manner. In addition, we did not design or maintain effective controls over the financial statement close and reporting process in order to ensure the accurate and timely preparation of financial statements in accordance with IFRS.**

Subsequent to December 31, 2018, management has taken steps to address the material weakness and implement a remediation plan, which management believes will address the underlying causes. The Company has engaged external advisors to provide financial accounting assistance in the short term and we continue to evaluate and document the design and operating effectiveness of our internal controls and execute the remediation and implementation of our internal controls as required. The Company has hired a Vice President of Internal Audit and has reallocated existing senior finance personnel to focus on the design and effectiveness of internal controls. The Company is in the process of increasing certain personnel responsibilities to enhance appropriate segregation of duties where possible, establishing a more comprehensive review and approval process and implementing additional internal reporting procedures. **While management believes that the steps taken to date are adequate in addressing the material weakness, the material weakness identified above cannot be considered remediated until the applicable relevant controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. No assurance can be provided at this time that the actions and remediation efforts will effectively remediate the material weakness or prevent the incidence of other material weakness in the Company's internal control over financial reporting in the future.**

Source: Initial F-1 (July 2019) and F-1 (Feb 3, 2020)
1) Final Prospectus (March 2020) states "if material weaknesses are identified" and "Our testing, or the subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses which could result in a material misstatement of our annual consolidated financial statements, our interim reports, or disclosures that may not be prevented or detected.

Revenue Control Issues

Spruce Warning

Spruce Point believes that if revenue cannot be accurately depicted, then investors should have limited confidence in GFL's entire financial reporting. We observe that GFL's historical revenue for Q1 2019 does not even match between its Management Discussion & Analysis section and its Financial Statements. We believe this is an extreme concern and GFL's audit committee should investigate.

Former GFL Financial Professional

"I would describe the Company as very aggressive."

12. SALES AND OPERATING REVENUE

The following table presents GFL's revenue disaggregated by service type and segment.

	March 31, 2020 $	March 31, 2019 $
Residential	238,793	182,066
Commercial	307,169	249,512
Total collection	545,962	431,578
Landfill	62,822	56,151
Transfer	88,443	66,522
Material recycling	46,329	15,635
Other	53,533	33,024
Solid waste	797,089	602,910
Infrastructure and solid remediation	131,761	111,750
Liquid waste	104,742	81,705
Intercompany revenue	(102,268)	(75,467)
Revenue	931,324	720,898

Source: Q1 2020, Financials F-15

($ millions)	First quarter of 2020 Revenue	2020 %	2019 Revenue	2019 %
Residential	$ 238.8	25.6%	$ 182.1	25.3%
Commercial/Industrial	307.2	33.0	249.5	34.6
Collection	546.0	58.6	431.6	59.9
Landfill	62.8	6.7	56.5	7.8
Transfer	88.4	9.5	66.5	9.2
Material Recovery	46.3	5.0	15.6	2.2
Other	53.6	5.8	33.0	4.6
Solid Waste	797.1	85.6	603.2	83.7
Infrastructure and Soil Remediation	131.8	14.1	111.4	15.5
Liquid Waste	104.7	11.2	81.7	11.3
Intercompany Revenue	(102.3)	(11.0)	(75.5)	(10.5)
Revenue	$ 931.3	100%	$ 720.9	100.0%

Source: GFL Q1 2020 MD&A p. 5

Spruce Point Capital Management

Even Worse Revenue Control Issues

Spruce Warning

Spruce Point finds it troubling that GFL restated results and did not notify investors of the change. The large increase of intercompany revenue, and boosting of Solid Waste segment results, is alarming in light of our research.

Former GFL Employee

"GFL will play with its numbers. If one division is outperforming to forecasts, they'll transfer some of those dollars to a division that isn't performing so well to bolster those numbers. An example would be between hauling and transfer stations. They'll allocate the repair/fuel/labor to truck repair and transfer, over to hauling to bolster either P&L to basically suit what the market is looking for. Should they do it, no, do they do it, yes. But that's not unique to GFL; GFL is a special case. GFL is aggressive."

Recent Q1 2020 Results

12. SALES AND OPERATING REVENUE

The following table presents GFL's revenue disaggregated by service type and segment.

	March 31, 2020 $	March 31, 2019 $
Residential	238,793	182,066
Commercial	307,169	249,512
Total collection	545,962	431,578
Landfill	62,822	56,151
Transfer	88,443	66,522
Material recycling	46,329	15,635
Other	53,533	33,024
Solid waste	797,089	602,910
Infrastructure and solid remediation	131,761	111,750
Liquid waste	104,742	81,705
Intercompany revenue	(102,268)	(75,467)
Revenue	931,324	720,898

Source: Q1 2020, F-15, Filed May 12, 2020

Original SEC IPO Filing

	Successor Three month period ended March 31, 2019		Predecessor Three month period ended March 31, 2018		Change	
	(expressed in millions of dollars)					
Residential	$ 182.1	25.3%	$ 74.3	22.4%	$ 107.8	145.1%
Commercial/Industrial	249.2	34.6	95.9	28.9	153.4	159.9
Total Collection	431.3	59.8	170.2	51.3	261.1	153.5
Landfill	42.3	5.9	20.1	6.1	22.2	110.5
Transfer	47.7	6.6	29.8	9.0	17.9	60.1
Material Recycling	25.2	3.5	21.4	6.4	3.9	18.0
Other	22.6	3.1	8.1	2.4	14.5	179.3
Solid Waste	569.1	78.9	249.5	75.2	319.6	128.1
Infrastructure & Soil Remediation	111.8	15.5	63.4	19.1	48.4	76.4
Liquid Waste	82.1	11.4	46.9	14.1	35.2	75.0
Intercompany Revenue	(42.1)	(5.8)	(28.2)	(8.5)	(13.9)	49.3
Revenue	$ 720.9	100.0%	$ 331.6	100.0%	$ 389.3	117.4%

Source: F-1 p. 82 Filed July 19, 2019

Spruce Point Capital Management

Even Worse Revenue Control Issues (Cont'd: Q2 2020)

Spruce Warning

Spruce Point finds it troubling that GFL restated results again in Q2 2020. Solid waste revenues mysteriously increased by $12m. The large increase of intercompany revenue, and boosting of Solid Waste segment results, is alarming in light of our research.

Former GFL Employee

"GFL will play with its numbers. If one division is outperforming to forecasts, they'll transfer some of those dollars to a division that isn't performing so well to bolster those numbers. An example would be between hauling and transfer stations. They'll allocate the repair/fuel/labor to truck repair and transfer, over to hauling to bolster either P&L to basically suit what the market is looking for. Should they do it, no, do they do it, yes. But that's not unique to GFL; GFL is a special case. GFL is aggressive."

Recent Q2 2020 Results

	Three months ended June 30, 2020	Three months ended June 30, 2019
Residential	$ 262.4	$ 210.6
Commercial	298.2	283.6
Total collection	560.6	494.2
Landfill	68.4	66.8
Transfer	96.8	89.6
Material Recovery	66.2	16.6
Other	69.0	45.3
Solid waste	861.0	712.5
Infrastructure and solid remediation	133.4	115.7
Liquid waste	105.9	97.9
Intercompany revenue	(107.0)	(94.7)
Revenue	$ 993.3	$ 831.4

Source: Q2 2020, F-16, Filed Aug 6, 2020

Original SEC IPO Filing

(expressed in millions of dollars)

	Successor: Three months ended June 30, 2019 (91 days) Revenue		Successor: Period ended June 30, 2018 (30 days) Revenue		Predecessor: Period ended May 31, 2018 (61 days) Revenue	
Residential	$210.7	25.3%	$ 31.2	19.9%	$ 61.4	20.7%
Commercial/Industrial	283.6	34.1	39.3	25.2	77.4	26.1
Total Collection	494.3	59.4	70.5	45.1	138.8	46.8
Landfill	62.1	7.5	9.2	5.9	16.9	5.7
Transfer	82.7	9.9	13.5	8.7	26.7	9.0
Material Recycling	16.2	1.9	3.8	2.5	7.0	2.4
Other	45.4	5.5	9.6	6.1	21.8	7.4
Solid Waste	700.6	84.3	106.6	68.3	211.1	71.3
Infrastructure and Soil Remediation	115.3	13.9	42.5	27.2	72.0	24.3
Liquid Waste	97.9	11.8	21.7	13.9	41.8	14.1
Inter-company Revenue	(82.4)	(9.9)	(14.6)	(9.3)	(28.7)	(9.7)
Total Revenue	$831.4	100.0%	$156.2	100.0%	$296.2	100.0%

Source: F-1 p. 87 Filed 2019

Run Away Fast From "Run-Rate EBITDA"

Spruce Warning

GFL's Run-Rate EBITDA is a term heavily disclaimed by GFL and was questioned by the SEC Pre-IPO.(1) By reading the fine print, Spruce Point believes GFL management has wide discretion to over-estimate EBITDA to portray itself in the best light possible.

We may not be able to achieve management's estimate of the Run-Rate EBITDA of the acquired businesses outlined under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt".

We have prepared estimates of the Acquisition EBITDA of businesses that we acquired in Fiscal 2019 that are reflected in our Run-Rate EBITDA and set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt". Our estimates of the Acquisition EBITDA for each of the businesses we have acquired have not been prepared in accordance with IFRS or any other accounting or securities regulations relating to the presentation of pro forma financial information. In particular, the adjustments set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt" do not account for seasonality and are not a guarantee that such results will actually be realized. While we do not believe the seasonality of any one acquired business is material when aggregated with other acquired businesses,

Our Run-Rate EBITDA is based on certain estimates and assumptions and should not be regarded as a representation by us or any other person that we will achieve such operating results. Prospective investors should not place undue reliance on our Run-Rate EBITDA and should make their own independent assessment of our future results of operations, cash flows and financial condition.

Our Run-Rate EBITDA set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt" represents our estimate of our anticipated annual operating results, including, without limitation, our estimates of (i) the contribution of acquired businesses in the periods prior to our acquisition, and (ii) the contribution of certain contracts and agreements that we entered into during or after completion of the applicable period as if they had commenced at the beginning of the applicable period. Our Run-Rate EBITDA is based on certain estimates and assumptions, some or all of which may not materialize. Unanticipated events may occur that could have a material adverse effect on the actual results achieved by us during the periods to which these estimates relate. Those assumptions are summarized under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt". Presentation of Run-Rate EBITDA excludes certain expense items, such as the impact of non-cash compensation, and such presentation is not intended to be a substitute for historical IFRS measures of operating performance or liquidity. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Our Long-Term Debt" for a discussion of the limitations of non-IFRS measures and the Run-Rate EBITDA calculation included in this prospectus.

Our Run-Rate EBITDA is subject to material risks, uncertainties and contingencies. We do not intend to update or otherwise revise our Run-Rate EBITDA to reflect circumstances existing or arising after the date of this prospectus, or to reflect the occurrence of unanticipated events. Our Run-Rate EBITDA should not be relied upon for any purpose following the consummation of this offering. The inclusion of Run-Rate EBITDA should not be regarded as a representation by us or any other person that we will achieve such operating results or revenues.

1) SEC Comment Letter
Source: F-1 pp. 38-39

Mysterious Adj. EBITDA Margin Inflation (Q1 2020)

Spruce Warning

Spruce Point also sees that GFL restated its Adjusted EBITDA to make the USA Waste segment's margins look much better by +2.1% (210bps). Again, the boost came from the "Corporate" or "Intercompany" account. Given GFL's growth angle is in the U.S., it could provide motivation to inflate this figure.

March 31, 2019	Adjusted EBITDA (Pre-Corporate)		Reported Revenue		Adjusted EBITDA Margin	
$ in mm	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
Canada Waste	$49.6	$49.8	$195.6	$195.9	25.4%	25.4%
USA Waste	$98.7	$105.6	$341.0	$341.0	28.9%	31.0%
Infrastructure/Soil	$21.2	$21.2	$110.9	$110.9	19.1%	19.1%
Liquid Waste	$17.5	$16.7	$73.4	$73.1	23.7%	22.9%

Original SEC IPO Filing Showing March 31, 2019

	March 31, 2019		
	Reported revenue $	Adjusted EBITDA $	Capital expenditures $
Successor			
Solid waste			
Canada	195,595	49,620	28,464
USA	340,984	98,662	50,399
Infrastructure and soil remediation	110,942	21,204	3,013
Liquid waste	73,377	17,490	14,666
Corporate	—	(7,809)	3,038
	720,898	179,167	99,580

Source: F-1 p. F-20 Filed July 19, 2019

Recent Q1 2020 Results Showing Q1 2019

	March 31, 2019	
	Reported revenue $	Adjusted EBITDA $
Solid waste		
Canada	195,912	49,794
USA	340,990	105,574
Infrastructure	110,942	21,204
Liquid waste	73,054	16,748
Corporate	—	(14,153)
	720,898	179,167

Source: Q1 2020, F-16, Filed May 12, 2020

Mysterious Adj. EBITDA Margin Inflation (Q2 2020)

Spruce Warning

GFL restated its Adjusted EBITDA a second time in Q2 2020 to make the USA Waste segment's margins look much better by +2.1% (210bps). The boost came from allocating more costs to the "Corporate" or account.

June 30, 2019	Adjusted EBITDA (Pre-Corporate)		Reported Revenue		Adjusted EBITDA Margin	
$ in mm	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
Canada Waste	$71.4	$71.5	$254.7	$254.4	28.0%	28.1%
USA Waste	$101.0	$109.0	$372.7	$372.2	27.1%	29.2%
Infrastructure/Soil	$23.4	$23.4	$114.4	$114.3	20.4%	20.5%
Liquid Waste	$23.9	$23.2	$89.9	$89.7	26.6%	25.9%

Original SEC IPO Filing Showing June 30, 2019

	Successor-June 30, 2019 (91 days)		
	Reported Revenue	Adjusted EBITDA	Adjusted EBITDA Margin
Solid Waste:			
Canada	$254.4	$ 71.4	28.0%
USA	372.7	101.0	27.1
Solid Waste	627.2	172.4	27.5
Infrastructure and Soil Remediation	114.4	23.4	20.4
Liquid Waste	89.9	23.9	26.6
Corporate	—	(7.7)	—
Total	$831.4	$211.9	25.5%

Source: F-1 p. 107 Filed Nov 2019

Recent Q2 2020 Results Showing Q2 2019

	Three months ended June 30, 2019		
($ millions)	Revenue	Adjusted EBITDA	Adjusted EBITDA as a % of Revenue
Solid Waste			
Canada	$ 254.7	$ 71.5	28.1%
USA	372.7	109.0	29.2
Solid Waste	627.4	180.5	28.8
Infrastructure and soil remediation	114.3	23.4	20.5
Liquid waste	89.7	23.2	25.9
Corporate	—	(15.2)	—
	$ 831.4	$ 211.9	25.5%

Source: Q2 2020 press release filed Aug 2020

Unexplained Income Statement Reclassifications

More unexplained revisions to key financial statement metrics in Q2 2020 to Cost of Sales and SG&A cast doubt on GFL's transparency and financial reporting practices.

	Notes	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Revenue	12	**$ 993.3**	$ 831.4	**$ 1,924.6**	$ 1,552.3
Expenses					
Cost of sales		**881.3**	739.5	**1,733.6**	1,393.0
Selling, general and administrative expenses		**104.1**	81.4	**259.2**	163.6

Source: Q2 2020 press release

Analysis of Results for the successor three and six month periods ended June 30, 2019 compared to the successor 30 day period ended June 30, 2018 and the predecessor 61 day and 151 day periods ended May 31, 2018

The following tables summarize certain operating results and other financial data for the periods indicated, which have been derived from our unaudited interim condensed consolidated financial statements and related notes.

	Successor: Three months ended June 30, 2019 (91 days)	Successor: Period ended June 30, 2018 (30 days)	Predecessor: Period ended May 31, 2018 (61 days)
	(expressed in millions of dollars)		
Revenue	$ 831.4	$ 156.2	$ 296.2
Expenses			
Cost of sales	736.8	136.6	252.9
Selling, general & administrative expenses	84.1	[illegible]	[illegible]
Interest and other finance costs	126.9	35.6	75.7
Other (income) expenses	(26.3)	6.5	5.0
	921.5	251.8	413.3
Loss before income taxes	(90.1)	(95.6)	(117.1)
Income tax recovery	(22.1)	(7.8)	(9.7)
Net loss	$ (68.0)	$ (87.8)	$ (107.4)

Gross margin fell from 11.3% to 11.1% or 20bp YoY

SG&A fell because of depreciation being restated from $5.7m to $3.0m without explanation

Source: GFL F-1 Amendment 3

Is GFL Misrepresenting Its Leverage?

Spruce Point Capital Management

Spruce Warning

In our opinion, GFL is showing investors an inaccurate measure of its leverage. Per its own IPO Prospectus, its lenders evaluate it on a "Net Funded Debt" measure, and not "Total Gross Debt" as depicted in its recent earnings press release. GFL completely ignores capital and operating leases (among other forms of debt) in its reporting to investors.

GFL Q2 2020 Results Post IPO

Net Leverage

The following table presents the calculation of Net Leverage for the periods indicated (all amounts are in millions of dollars unless otherwise stated):

	June 30, 2020	December 31, 2019
Total debt, gross	$ 5,217.0	$ 7,675.7
Less cash and cash equivalents	(723.9)	(574.8)
	4,493.1	7,100.9
Trailing twelve months Adjusted EBITDA	919.4	825.8
Acquisition EBITDA adjustments	116.9	98.9
Run rate EBITDA	$ 1,036.3	$ 924.7
Net Leverage	**4.34x**	**7.68x**

Source: Q2 2020 press release

GFL IPO Prospectus

For the year ended December 31, 2019, based on a Run-Rate EBITDA of $924.7 million, our consolidated total net "funded" debt to Run-Rate EBITDA ratio was 6.85 to 1.00. As of December 31, 2019, we were in compliance with all debt covenants. Net "funded" debt is calculated under our Revolving Credit Facility by starting with the long-term indebtedness shown on our most recent balance sheet plus lease obligations that are set forth separately from our long-term indebtedness on our balance sheet minus cash on hand. Next, we subtract the PIK Notes because they are obligations of an entity that is outside of the credit group for purposes of the Revolving Credit Facility. Finally, we incorporate adjustments to the carrying amount of certain indebtedness for items such as, foreign currency exchange swaps, currency derivatives, fair value adjustments and deferred financing fees. As at December 31, 2019, our net "funded" debt was $6,332.8 million, which we calculated based on total indebtedness at December 31, 2019 of $7,625.0 million plus $192.0 million of lease obligations (which includes $58.7 million of secured lease obligations), less (i) a $(47.9) million adjustment to the carrying amount of the U.S. dollar denominated Term Facility and Notes that are recognized on the balance sheet in Canadian dollars at the spot rate to reflect the Canadian dollar carrying amount after giving effect to the foreign exchange swaps, (ii) the $1,008.0 million carrying amount of the PIK Notes, (iii) $31.1 million of net carrying amount of derivative instruments included in long term indebtedness, (iv) $(34.3) million fair value adjustment on our Notes, (v) $(51.6) million of deferred finance costs, (vi) $4.1 million premium on the Secured Notes, and (vii) $574.8 million of cash.

Source: IPO Prospectus – March 4, 2020

SPRUCE POINT CAPITAL MANAGEMENT

Spruce Point's Adjusted Leverage

Recall on the previous slide, GFL claims its Total Gross Debt is C$5,217m. However, this figure conveniently ignores leases, related-party debt owed to CEO Dovigi and the TEU Notes which are debt equivalents. We estimate GFL's debt is C$460m more than reported and financial data providers fail to capture the adjustments. The table below is our pro forma estimate for the planned acquisition of Waste Management / Advanced Disposal assets and WCA Waste.

C$ in mm	6/30/20	Spruce Point Adjustments	WM Acquisition (1)	WCA Acquisition (2)	Pro Forma 6/30/20
Cash and Equivalent	$723.9	--	($577.0)	--	$146.9
Credit Facility	--	--	$577.0	($151.0)	$426.0
CP Related Party Note	--	$12.8	--	--	$12.8
CP of Leases Obligations	--	$38.7	--	--	$38.7
CP Tangible Equity 6% Amortizing Note due 2023	--	$63.4	--	--	$63.4
CP of Long-Term Debt	$3.9	--	--	--	$3.9
Current Portion (CP) Debt:	**$3.9**	**$114.9**	**$577.0**	**($151.0)**	**$544.8**
Term Loan L+3% due 2025	$2,803.6	--	--	--	$2,803.6
Tangible Equity 6% Amortizing Note due 2023	--	$156.8	--	--	$156.8
7% Snr Unsecured Due June 2026	$551.9	--	--	--	$551.9
8.5% Snr Unsecured Due May 2027	$490.6	--	--	--	$490.6
New Issue: 4.25% due 2025 (1)	$681.4	--	--	--	$681.4
5.125% Snr Unsecured Due Dec 2026	$681.4	--	--	--	$681.4
Related Party Notes To Dovigi	--	$37.2	--	--	$37.2
Long-Term Lease Obligations	--	$151.4	--	--	$151.4
WCA New Debt	--	--	--	$1,001.0	$1,001.0
Other Misc. Equipment Loans and Debt	$8.0	--	--	--	$8.0
Less: CP of LT Debt	($3.9)	--	--	--	($3.9)
Gross Total Long-Term Debt:	**$5,213.0**	**$345.4**	**--**	**$1,001.0**	**$6,559.4**
Total Long-Term and CP Debt	**$5,216.9**	**$460.3**	**$577.0**	**$850.0**	**$7,104.2**
Less: Cash	($723.9)	--	$577.0	--	($146.9)
Net Debt	**$4,493.0**	**$460.3**	**$1,154**	**$850.0**	**$6,957.3**
GFL Claimed 2020E EBITDA Run Rate EBITDA	**$1,060.0**	**$1,060.0**	**$127.0**	**$154.0**	**$1,340.0**
Net Debt / Run Rate EBITDA	**4.2x**	**4.7x**	**--**	**--**	**5.2x**

1) Deal announced 6/25/20. EBITDA and C$1.154bn cost per GFL. Assume 50/50% cash and debt funding
2) Assumes purchase price and fees, less $801m of preferred equity, is the balance funded with debt

The Market Miscalculates GFL's Valuation And Leverage

Spruce Point believes the Tangible Equity Units (TEUs) should be bifurcated between their debt and equity components. The instruments can be separated by the holders, and settled at any time at the holder's option.

C$ in mm (unless specified US$)	6/30/20	Pro Forma Adjustments[1]	Pro Forma 6/30/20
Sub Voting Shares Outstanding	314.3	--	314.3
TEUs Convertible To Sub Voting Shares	--	31.0	31.0
Preferred Shares Issued WCA	--	23.8	23.8
Multiple Voting Shares Outstanding	--	12.1	12.1
Total Shares Outstanding	**314.3**	**66.9**	**381.2**
Share Price – C$	C$28.06	--	C$28.06
Share Price – US$	$21.23	--	$21.23
Market Capitalization – C$	**$8,819.6**	**$1,878.0**	**$10,697.6**
Market Capitalization – US$	**$6,672.8**	**$1,420.9**	**$8,093.7**
Total Debt (See Slide)	**$5,216.9**	**$1,887.3**	**$7,104.2**
Less: Cash	($723.9)	**$577.0**	($146.9)
Net Debt	**$4,493.0**	**$2,464.3**	**$6,957.3**
Enterprise Value – C$	**$13,312.0**	**$4,342.3**	**$17,654.9**
Enterprise Value – US$	**$9,969.7**	**$3,229.2**	**$13,198.9**

Method	Unit	C$ Par Value	%
1	Note Value (A)[1]	$8.5143	17.0%
	Equity Value (B-A)	$41.4857	83.0%
	Unit Issue Price (B)	**$50.0000**	**100.0%**
2	Current Note Book Value	$156.8	15.0%
	Current TEU Book Value	$865.6	85.0%
	Book Value 6/30/20	**$1,022.4**	**100.0%**

Units Outstanding (A)	15.5m
% of Value Equity (B)	85%
Equity Units (A x B) = C	13.2m
Conversion to Sub Voting Shares Per Unit (D) [1]	2.36m
# of Units Convertible To Sub Voting Shares (C x D)	31.0m

1) For Spruce Point adjustments and for planned Waste Management and WCA asset acquisitions
2) Per the prospectus "Each amortizing note will have an initial principal amount of US$8.5143, will bear interest at the rate of 4.00% per annum and will have a final installment payment date of March 15, 2023. Upon any settlement on the mandatory settlement date, we will deliver not more than 2.6316 subordinate voting shares and not less than 2.1930 subordinate voting shares per purchase contract, subject to adjustment, based upon the applicable settlement rate and applicable market value of our subordinate voting shares

Spruce Point Capital Management

Acquisition EBITDA Falling Fast

Run-Rate EBITDA declined sequentially from Q1 to Q2 from C$1,059.5m to C$1,036.3, by or 2.2%
It's noteworthy that "Acquisition EBITDA" fell materially by 38.5% sequentially.
Certainly, the poor timing of deploying over C$1.1 billion in Q1 during peak COVID-19 didn't help.

Industry Observer Familiar With GFL In Canada

"If I were to take a conservative estimate, well over 50% of GFL's 100+ acquisitions I'd characterize as a failure."

C$ 1.1 Billion Spent on Acquisitions In Q1 2020

	March 31, 2020	December 31, 2019
Total debt, gross	$ 4,725.3	$ 7,675.7
Less cash and cash equivalents	(91.4)	(574.8)
	4,634.0	7,100.9
Trailing twelve months Adjusted EBITDA	869.4	825.8
Acquisition EBITDA adjustments	190.1	98.9
Run rate EBITDA	$ 1,059.5	$ 924.7
Net Leverage	**4.37x**	**7.68x**

Source Q1 2020 press release

C$ 12.3 Million Spent on Acquisitions In Q2 2020

	June 30, 2020	December 31, 2019
Total debt, gross	$ 5,217.0	$ 7,675.7
Less cash and cash equivalents	(723.9)	(574.8)
	4,493.1	7,100.9
Trailing twelve months Adjusted EBITDA	919.4	825.8
Acquisition EBITDA adjustments	116.9	98.9
Run rate EBITDA	$ 1,036.3	$ 924.7
Net Leverage	**4.34x**	**7.68x**

Source: Q2 2020 press release

Spruce Point Capital Management

We Believe GFL's "Adjusted EPS" Is Flawed

We view GFL's "Adjusted EPS" as highly problematic. We don't understand why GFL is adding back $4.9m of IPO costs in Q2 despite its IPO occurring early March 2020 in Q1. GFL's cash flow statement in Q2 shows no further inflows from equity issuance. Even more perplexing, GFL boosted an amortization add-back of deferred financing fees in the first half by $2.3m that is not mathematically supported by the fees in Q1 and Q2 2020. This allowed it to claim a $0.01 per share adjusted profit. As a result, we do not trust the reported results.

C$ in mm	Q1 2020 GFL Reported (A)	Q2 2020 GFL Reported (B)	6M Ended June 30, 2020 (A+B)	6M Ended June 30, 2020 GFL Reported
Net Loss	($277.9)	($115.5)	($393.4)	($393.5)
Add Back To Net Income:				
Amortization of Intangibles	$99.1	$111.1	$210.2	$210.2
PP&E Depreciation (recap)	$4.7	$4.7	$9.4	$9.4
IPO Transaction Costs	$41.3	$4.9	$46.2	$46.2
Loss on Debt Extinguishment	$133.2	$0.0	$133.2	$133.2
Amortization of Deferred Financing Fees	$17.4	$2.9	$20.3	$22.6
Mark-to-Market Gain on TEUs	($88.4)	$74.2	($14.2)	($14.2)
FX Loss	$106.0	($8.4)	$97.6	$97.6
Transaction Costs	$11.2	$7.7	$18.9	$18.9
Acquisition Rebranding And Other Integration Costs	$7.7	$1.5	$9.2	$9.2
TEU Amortization	$0.2	$0.9	$1.1	$1.1
Tax Effect	($66.0)	($72.2)	($138.2)	($138.2)
Adjusted (Loss) Gain	**($11.5)**	**$11.8**	**$0.3**	**$2.5**
Weighted Average Basic and Dil. Share Count	326.4	360.4	360.4	360.4
Adjusted EPS	**(0.03)(1)**	**$0.03**	**$0.00**	**$0.01**

1) GFL rounded down to a loss of 3 cents when the loss was 3.5 cents. We believe GFL should have rounded to a loss of 4 cents

Spruce Point Capital Management

GFL's Cash Flow Statement Appears To Inflate Operating Cash Flow By 2x

After a careful examination of GFL's operating cash flows, we find an irreconcilable add-back for foreign exchange exposures on long-term debt. Spruce Point believes FX changes on long-term debt should not be viewed as an operating cash flow. This allowed GFL to show nearly double the cash flow from operations in the first half of the year at $82.0m versus $40.9m. The Company touted the growth in cash flow below.

GFL Touts Its Tremendous Cash Flow Growth

"For the six months ended June 30, 2020, cash flow from operating activities was $82.0 million, an increase of 125.9% compared to the same period in the prior year" Source

C$ in mm	Q1 2020 GFL Reported (A)	Q2 2020 GFL Reported (B)	6M Ended June 30, 2020 (A+B)	6M Ended June 30, 2020 GFL Reported
Net Income	($278.0)	($115.5)	($393.5)	($393.5)
Depreciation and Amortization of PP&E	$122.7	$123.6	$246.3	$246.3
Amortization of Intangibles	$99.1	$111.1	$210.2	$210.2
Interest and other Finance Costs	$269.4	$95.4	$364.8	$364.8
Share Based Payments	$15.7	$4.2	$19.9	$19.9
FX (gain) loss on Long-Term Debt	$71.2	($7.5)	$63.7	$104.8
Loss on Sale of PPE	$1.6	$0.5	$2.1	$2.1
Mark-to-Market on TEU purchase contracts	($88.4)	$74.2	($14.2)	($14.2)
Mark-to-Market Loss on Fuel Hedge	$1.2	$0.6	$1.8	$1.8
Current Income Tax Expense	$1.7	$2.0	$3.7	$3.7
Deferred Tax Recovery	($89.4)	($40.3)	($129.7)	($129.7)
Interest Paid In Cash, Net	($159.7)	($84.9)	($244.6)	($244.6)
Income Taxes Paid Cash, Net	($3.2)	($0.8)	($4.0)	($4.0)
Changes in Non-Cash Working Capital Items	($54.0)	($28.5)	($82.5)	($82.5)
Landfill closure and post-closure expenditures	($1.2)	($1.9)	($3.1)	($3.1)
Cash From Operations	**($91.3)**	**$132.2**	**$40.9**	**$82.0**

Capex Appears Understated Leading To Free Cash Flow Overstatement

Spruce Point Capital Management

GFL's capex listed through the cash flow statement does not reconcile with capex additions through the PP&E accounts. As a result, we believe capex is being capitalized on the balance sheet by at least C$41.1m

GFL Reported C$220m of Purchases of PP&E And Intangibles (Capex) In H1 2020 Through Its Cash Flow Statement

GFL Environmental Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
(In millions of dollars)

	Notes	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Investing activities					
Proceeds on sale of property, plant and equipment		**4.0**	14.3	**4.4**	15.3
Purchase of property, plant and equipment and intangible assets		**(119.8)**	(107.3)	**(220.0)**	(206.9)
Business acquisitions, net of cash acquired	3	**(12.3)**	(73.3)	**(1,138.3)**	(187.2)
		(128.1)	(166.3)	**(1,353.9)**	(378.8)

GFL's PP&E Accounts (ex: Intangibles) Show C$261.1m of "Additions" or "Capex" Over The Same Time Period

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Landfills	Building and leaseholds	Transportation equipment	Furniture, machinery and equipment	Assets under development	Computer software and equipment	Containers	Right-of-use assets	Total
Cost										
Balance, December 31, 2019	$ 256.6	$ 765.9	$ 357.2	$ 1,061.2	$ 450.5	$ 121.5	$ 50.4	$ 207.0	$ 161.5	$3,431.8
Additions	8.4	22.5	38.5	62.9	28.7	15.0	17.1	36.6	31.4	261.1
Acquisitions via business combinations	11.6	119.1	26.7	165.9	29.1	—	—	17.3	6.6	376.3
Disposals	(0.7)	—	—	(4.9)	(1.2)	—	—	(1.1)	(20.6)	(28.5)
Transfers	0.7	0.6	(0.6)	0.5	(1.0)	—	—	(0.2)	—	—
Changes in foreign exchange	6.0	38.8	7.2	33.4	7.4	0.3	0.3	9.4	2.2	105.0
Balance, June 30, 2020	282.6	946.9	429.0	1,319.0	513.5	136.8	67.8	269.0	181.1	4,145.7

Source: Q2 2020 financial statements
Note: GFL reports zero organic additions to intangible asset in H1 2020

Spruce Point Capital Management

More Capex Anomalies

Looking carefully at the bottom of the cash flow statement, GFL reports *"supplemental information"* related to *"asset additions financed through leases"*. We observe that that Q1 2020 + Q2 2020 results do not equal H1 2020 results. The magnitude of the misreporting is $15.7 million, or nearly 100%.

Q2 2020 Supplemental Disclosures on Capex Additions Financed Through Leases

GFL Environmental Inc.
Unaudited Interim Condensed Consolidated Statements of Cash Flows
(In millions of dollars)

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Supplementary information				
Business acquisitions financed through issuance of share capital	$ —	$ —	$ 78.4	$ —
Asset additions financed through leases	**0.8**	25.7	**31.4**	25.7

Source: Q2 2020 financials

+

≠

Q1 2020 Supplemental Disclosures on Capex Additions Financed Through Leases

	March 31, 2020 $	March 31, 2019 $
Supplementary information		
Business acquisitions financed through issuance of share capital	78,434	—
Asset additions financed through leases	**14,906**	26,658

Source: Q1 2020 financials

Philip Service Corp. Also Had Capex Anomalies

Spruce Point Capital Management

Spruce Point observes that Philip Services Corp. also understated its Capex through the cash flow statement after completing its IPO in the U.S. and Canada. The stock eventually collapsed towards insolvency.

Philip Service Corp – IPO Financials In Canadian Dollars

	SIX MONTHS ENDED JUNE 30, 1997	SIX MONTHS ENDED JUNE 30, 1996	FISCAL YEARS ENDED DECEMBER 31, 1996	FISCAL YEARS ENDED DECEMBER 31, 1995	FISCAL YEARS ENDED DECEMBER 31, 1994
	(THOUSANDS OF CANADIAN DOLLARS, EXCEPT SHARE AND PER SHARE AMOUNTS)				
BALANCE SHEET DATA (END OF PERIOD):					
Working capital............................	$ 526,982	$ 156,563	$ 347,501	$ 106,604	$ 88,269
Total assets...............................	1,694,437	1,030,988	1,345,719	1,002,912	860,583
Total debt(1)..............................	692,280	404,282	414,768	421,355	400,251
Shareholders' equity.......................	692,383	420,842	623,351	312,102	277,882
OTHER DATA:					
Amortization...............................	$ 7,055	$ 5,188	$ 11,720	$ 9,798	$ 7,869
Depreciation...............................	17,093	10,250	22,246	15,712	13,405
Additions to property, plant & equipment.....	44,539	22,810	59,847	37,016	29,910

Converted To US$

	6M June 30, 1997	6M June 30, 1996	Dec 31, 1996	Dec 31, 1995	Dec 31, 1994
Avg C$ FX Rate	0.7269	0.7310	0.7330	0.7307	0.7302
US$ Capex Converted	$32.4	$16.7	$43.9	$27.0	$21.8
US$ Capex Reported - 1997			$30.0	$23.3	

Source: Philip Service IPO Prospectus – Nov 10, 1997

Note: Philip discloses average C$ FX rates

Philp Services Financials – Post IPO Financials In US$ Dollars

PHILIP SERVICES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(IN THOUSANDS OF US DOLLARS)

<TABLE>

<CAPTION>

	YEARS ENDED DECEMBER 31 1997	1996 (RESTATED)	1995 (RESTATED)
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net earnings(loss) from continuing operations.........	$ (104,241)	$ (19,257)	$ 1,140
Items included in earnings not affecting cash			
Depreciation and amortization...................	47,348	18,630	13,449
Amortization of goodwill........................	14,605	5,595	5,138
Deferred income taxes...........................	(15,446)	(15,315)	(2,467)
Net gain on sale of assets......................	(2,559)	(1,645)	(885)
Special charges (net of tax) (Note 3)...........	117,081	--	--
Cash flow from continuing operations..................	56,788	(11,992)	16,375
Changes in non-cash working capital (Note 13).........	(205,966)	(35,139)	(850)
Cash provided by (used in) continuing operating activities..	(149,178)	(47,131)	15,525
Cash provided by discontinued operating activities....	--	21,161	11,012
Cash provided by (used in) operating activities.......	(149,178)	(25,970)	26,537
INVESTING ACTIVITIES			
Proceeds from sale of solid waste operations (Notes 4 and 5)..................................	19,800	137,632	--
Acquisitions -- including acquired cash (bank indebtedness) (Note 4)............................	(596,574)	(111,437)	(2,832)
Purchase of fixed assets..............................	(62,391)	(30,004)	(23,347)
Other -- net..	3,965	(32,509)	(22,441)
Cash used in continuing investing activities.........	(635,200)	(36,318)	(48,620)

Source: Philip Service 1997 10-K

Note: Philip changed its parent company's functional currency to US$ in 1997 (See Note 2)

Philip Service Corp. Anomalies (Cont'd)

As Philip Service Corp. continued to file financial statements, we see that 1996-1997 total operating cash burn was revised up from -$175m to -$224m. Over the same time period, Capex was revised from $92.4m to $82.9m. As a result total free cash burn from these two years was revised higher from $267.5m to $307.1m.

Philip Service Corp Cash Flow Statement

PHILIP SERVICES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF US DOLLARS)

<TABLE>
<CAPTION>

<S>	YEARS ENDED DECEMBER 31 1997 <C>	1996 (RESTATED) <C>	1995 (RESTATED) <C>
OPERATING ACTIVITIES			
Net earnings(loss) from continuing operations.........	$ (104,241)	$ (19,257)	$ 1,140
Items included in earnings not affecting cash			
Depreciation and amortization..................	47,348	18,630	13,449
Amortization of goodwill.......................	14,605	5,595	5,138
Deferred income taxes..........................	(15,446)	(15,315)	(2,467)
Net gain on sale of assets.....................	(2,559)	(1,645)	(885)
Special charges (net of tax) (Note 3)...........	117,081	--	--
Cash flow from continuing operations................	56,788	(11,992)	16,375
Changes in non-cash working capital (Note 13).........	(205,966)	(35,139)	(850)
Cash provided by (used in) continuing operating activities..	(149,178)	(47,131)	15,525
Cash provided by discontinued operating activities....	--	21,161	11,012
Cash provided by (used in) operating activities.......	(149,178)	(25,970)	26,537
INVESTING ACTIVITIES			
Proceeds from sale of solid waste operations (Notes 4 and 5)......................................	19,800	137,632	--
Acquisitions -- including acquired cash (bank indebtedness) (Note 4)...........................	(596,574)	(111,437)	(2,832)
Purchase of fixed assets............................	(62,391)	(30,004)	(23,347)
Other -- net..	3,965	(32,509)	(22,441)
Cash used in continuing investing activities.........	(635,200)	(36,318)	(48,620)

Source: Philip Service 1997 10-K

Notice Key Revisions To Cash Flow And Capex

PHILIP SERVICES CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF US DOLLARS)

<TABLE>
<CAPTION>

<S>	YEARS ENDED DECEMBER 31 1998 <C>	1997 <C>	1996 <C>
OPERATING ACTIVITIES			
Net loss from continuing operations..................	$(1,332,481)	$ (60,522)	$ (2,815)
Items included in earnings not affecting cash			
Depreciation and amortization.......................	75,937	42,389	17,703
Amortization of goodwill............................	24,910	13,364	5,160
Deferred income taxes...............................	33,233	6,588	(6,029)
Net gain on sale of assets..........................	(16,843)	(2,559)	(1,645)
Special charges (net of tax) (Note 3)..............	1,211,127	103,979	--
Cash flow from continuing operations.................	(4,117)	103,239	12,374
Changes in non-cash working capital (Note 14).........	(55,855)	(135,551)	(9,993)
Cash provided by (used in) continuing operating activities..	(59,972)	(32,312)	2,381
Cash used in discontinued operating activities........	(2,054)	(182,860)	(11,426)
Cash used in operating activities....................	(62,026)	(215,172)	(9,045)
INVESTING ACTIVITIES			
Proceeds from sale of operations (Notes 4 and 5)......	104,922	19,800	137,632
Acquisitions - including acquired cash (bank indebtedness)..	(26,406)	(522,788)	(74,436)
Purchase of fixed assets............................	(59,154)	(55,786)	(27,092)
Proceeds from sale of fixed assets..................	25,785	--	--
Other - net...	(10,209)	(24,912)	(28,522)
Cash provided by (used in) continuing investing activities..	34,938	(583,686)	7,582

Source: Philip Service 1998 10-K

Spruce Point Has A Track Record Identifying Capex Accounting Anomalies As Leading Indicators of Underlying Problems

GFL's capex accounting irregularities should not be taken lightly by investors. Spruce Point has a strong record of success unearthing previously-unidentified financial strain among companies reporting irregular or inconsistent capex figures. Included in these are some of our most successful short campaigns.

	caesarstone	AOSmith	US CONCRETE
Report	NASDAQ: CSTE | Aug 2015 / Oct 2015	NYSE: AOS | May 2019 and Twitter	NYSE: USC | May 2018
Ent. Value	$1.7 billion	$7.8 billion	$1.7 billion
Company Promotion / Situation Overview	Leading quartz countertop manufacturer capable of producing sustainable 43% and 26% gross and EBITDA margins, while producing double digit growth in the fast growing U.S. market. The Company claimed it needed to increase capex to construct a manufacturing facility in the U.S. to accelerate its North American expansion	Leading maker of water heaters and treatment products, boilers, and air purifiers. Fast and sustainable growth in China, allowing for corporate gross margins in excess of industry peers.	Highly accretive and synergistic North American roll-up of ready-mix concrete operations capable of expanding margins and growing earnings
Our Criticism	Our intense fundamental and forensic due diligence uncovered evidence of slowing U.S. growth, and margin pressure being covered-up. **We also expressed grave concerns about the Company's strategy to build a U.S. manufacturing facility and believed its capex costs seemed overstated, which would allow capitalization of costs on the balance sheet and potentially overstate earnings**. Our background work into CEO Yos Shiran also revealed a pattern of mismanagement at Tefron, an Israeli textile company, that promoted a unique technology but failed	**Our intensive due diligence revealed a number of capital expenditure anomalies, notably consistent mis-forecasting. These capex issues appeared to point to gross margin inflation via expense capitalization**. Shifting revenue recognition standards pointed to the possibility of aggressive booking of sales. Excessive spending on a protracted ERP implementation also appeared to be linked to accounting and financial issues	Becoming more aggressive in acquisitions to grow and providing limited deal transparency. GAAP vs. Non-GAAP strain intensifying. Leverage rising to pre-bankruptcy levels. CEO has hidden from disclosure a DWI arrest for reckless driving. Aggressive use of capital leases to embellish EBITDA. **Management's history of meeting Capex guidance is horrendous. PP&E accounts suggest overcapitalization of costs with vehicle accounts up 500% yet physical trucks up 100%**
Successful Outcome	Two CEO/CEO's and two CFO/CFO's of Caesarstone subsequently resigned. The Company later reported numerous manufacturing problems in both its new U.S. production and Israeli facilities. Gross margins contracted to 25%. The share price has fallen ~80% from our initiation price	Following a report from J Capital, AOS admitted that it had been engaging an undisclosed material supply chain partner in China, confirming suspicions of channel-stuffing. In Q2 2018, not long after we published our report, AOS substantially revised guidance, showing weakness in China with sales projected down 16-17%. AOS fired the President of A.O. Smith China in Feb 2020 following our report	Following our report, USCR continued to miss analyst expectations numerous times. In April 2019, a regional executive resigned and in Feb 2020, USCR announced its CEO would "retire". Shares declined by approximately 55% following our report

Spruce Point Capital Management

GFL's "Free Cash Flow" vs. Spruce Point Reality

We have shown that both GFL's operating cash flow and capital expenditures do not reconcile. As a result, we believe its free cash flow is also potentially misstated. We believe adjusted H1 2020 free cash flow burn was ~60% worse than reported by GFL.

It's Hard To Rely On GFL's Free Cash Flow Forecasts When Tangible Evidence That Both Operating Cash Flow And Capex Are Misstated

"When you think about how cash flow and leverage should play out over the balance of the year, we should incur an additional $140 million to $150 million of CAPEX and approximately $140 million, $145 million of cash interest costs in the second half of the year. If you layer on the conservative assumption of working capital, ending the year as cash flow neutral, you get to a free cash flow number of somewhere between $275 million and $300 million for the back half of the year, depending on your views of where we end up in terms of EBITDA." Source

C$ in mm	6M Ended June 30, 2019		6M Ended June 30, 2020		% Difference GFL vs. Reality H1 2020
	GFL Free Cash Flow	Spruce Point Adjusted Free Cash Flow	GFL Free Cash Flow	Spruce Point Adjusted Free Cash Flow	
Cash From Operations	$36.3	$36.3	$82.0	$40.9	-49.0%
Less: Purchase of PP&E & Intangibles (Capex)	($206.9)	($240.2)	($220.0)	($261.1)	+18.7%
Free Cash Flow	**($170.6)**	**($203.9)**	**($138.0)**	**($220.2)**	**-59.5%**

Source: GFL and Spruce Point Analysis
Note: Spruce Point Adjusted capex uses the "additions" from the PP&E footnotes

Since Jan 1, 2019 GFL has spent over C$1.8bn on acquisitions and OCF has barely increased while FCF has worsened. Granted there is a COVID-19 impact in H1 2020, but with so much money spent on acquisitions, Spruce Point is surprised there is no FCF growth.

Unusual GFL Landfill Capacity Revisions

Spruce Warning

There's a saying: *"If you can't measure it, you can't manage it"*. We find it concerning that GFL is restating permitted landfill capacity from year end 2019, along with its Quebec fixed level capacity from 15 years to 9.8 years – a meaningful reduction.

IPO Prospectus Disclosure

As at December 31, 2019 we had 112.5 million tonnes (2018: 113.9 million tonnes, 2017: 11.7 million tonnes) of remaining permitted capacity at the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity over the next 15 years. As at December 31, 2019, two of our landfills satisfied the criteria for inclusion of probable expansion capacity, resulting in additional expansion capacity of 2.9 million tonnes, and together with remaining permitted capacity, total remaining capacity of 115.4 million tonnes. Based on total capacity as at December 31, 2019 and projected annual disposal volumes, the weighted average remaining life of the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity is approximately 19 years. We have other expansion opportunities that could extend the weighted average remaining life of our landfills.

Source: IPO Prospectus – March 4, 2020

Q1 2020 Disclosure

As at March 31, 2020 we had 112.1 million tonnes (Dec 31, 2019: 113.5 million tonnes) of remaining permitted capacity at the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity over the next 9.8 years. As at March 31, 2020, two of our, landfills satisfied the criteria for inclusion of probable expansion capacity, resulting in additional expansion capacity of 2.9 million tonnes, and together with remaining permitted capacity, our total remaining capacity is 115.0 million tonnes (Dec 31, 2019: 116.4 tonnes). Based on total capacity as at March 31, 2020 and projected annual disposal volumes, the weighted average remaining life of the landfills we own and at the landfill in Quebec where we have designated access to a fixed level of capacity is approximately 18.7 years (Dec 31, 2019: 19.0 years). We have other expansion opportunities that could extend the weighted average remaining life of our landfills.

Source: Q1 2020 press release – May 12, 2020

Spruce Point Capital Management

Management Arguing For Significant One-Time Adjustments Without Justification?

Interestingly, GFL reports significantly *higher* unit-level landfill amortization than most peers – perhaps due to its relatively high exposure to liquid waste. However, in its latest quarterly release, management claimed that a purported $35m one-time adjustment – for which no details were provided whatsoever in prior SEC filings – would have reduced FY19 unit-level landfill amortization by ~25%. We wonder why such an enigmatic "one-time" item can simply be ignored when calculating GFL's true underlying unit-level landfill amortization.

GFL Now Discloses Enigmatic "One-Time" Adjustment?

The following table summarizes landfill amortization expense on a per tonne basis for the periods indicated:

	Three months ended Mar 31, 2020	Twelve months ended Dec 31, 2019
Amortization of landfill airspace ($ millions)	$ 20.0	$ 126.9
Tonnes received (millions of tonnes)	1.4	6.1
Average landfill amortization per tonne ($)	$ 14.0	$ 20.8

The amortization of landfill airspace for the twelve months ending December 31, 2019 has a $35.0 million one-time adjustment which if excluded, would result in an average landfill amortization per tonne of $15.1. Unique per-tonne amortization rates are calculated for each of our landfills and the rates can vary significantly due to regional differences in construction costs and regulatory requirements for landfill development, capping, closure and post closure activities.

Source: GFL Q1 2020 6-K

Waste Management

The following table presents our landfill airspace amortization expense on a per-ton basis for the years ended December 31:

	2019	2018	2017
Amortization of landfill airspace (in millions)	$ 575	$ 538	$ 497
Tons received, net of redirected waste (in millions)	121	116	112
Average landfill airspace amortization expense per ton	$ 4.75	$ 4.64	$ 4.44

Source: WM 2019 10-K

Note: Per WM 10-K, one cubic yard of waste is approximately equal to one ton of waste

Republic Services

The following table reflects our net investment in our landfills, excluding non-depletable land, and our depletion, amortization and accretion expense for the years ended December 31, 2019 and 2018:

	2019	2018
Number of landfills owned or operated	189	190
Net investment, excluding non-depletable land (in millions)	$ 3,872.9	$ 3,758.0
Total estimated available disposal capacity (in millions of cubic yards)	4,994.7	5,078.0
Net investment per cubic yard	$ 0.78	$ 0.74
Landfill depletion and amortization expense (in millions)	$ 333.0	$ 325.6
Accretion expense (in millions)	81.9	80.7
	414.9	406.3
Airspace consumed (in millions of cubic yards)	81.5	83.2
Depletion, amortization and accretion expense per cubic yard of airspace consumed	$ 5.09	$ 4.88

Source: RSG 2019 10-K

GFL Commentary At Odds With Market And It Walking Back Expectations

During Q2 earnings season, GFL talked up a bullish recovery, especially in July, when most competitors were signaling caution, GFL then later recalibrates expectations around working capital benefits.

GFL CEO Dovigi

"Now the last sort of 3 weeks post, I would say the July long. We can, we've seen the business significantly uptick and is trending much closer to budget, then we've been for the whole year. So all signs are pointing in the right direction."

Casella Waste Q2 Earnings Call

"Through July we were seeing landfill volumes up slightly sequentially. However, we were not experiencing the typical seasonal ramp we usually see during the summer months."

Source: CWST Earnings Call

Waste Management Q2 Earnings Call

"Sure. Yes. I mean, we are, to your point, seeing July continue to accelerate, albeit at a slightly slower pace. I mean, look, this kind of went from zero to not 70 miles an hour, but probably zero to 60 miles an hour pretty fast, and now we're moving back towards 70 miles an hour."

Source: WM Earnings Call

GFL CFO Luke Pelosi Q2 Earnings Call

"Despite my comments about the strength of collections, given the uncertainty in the current environment, we think it's prudent to adjust these expectations to remaining flat for working capital for the year as a whole. We continue to see real upside opportunity in the area of working capital. We're just re-calibrating expectations as to when those dollars will be realized. In terms of the cadence, the anticipated Q3 revenue increase as we rebound from Q2 will put pressure on Q3's working capital. So we expect Q3 to be close to flat when the majority of the second half recovery will be realized in Q4."

Source: GFL Earnings Call

GFL Deal ~~Highlights~~ Lowlights

While The Stock Promoters Play Up GFL's M&A Abilities And Opportunities….

Spruce Point Warning

Be careful when a stock analysts (notably Jefferies with the second highest price target in the world on GFL) gloss over things with euphemistic language like *"hiccups"* to describe GFL's *"successful"* entry into the U.S. We believe the reality is much more bleak, and shows serious lapses in GFL's acquisition due diligence process, notably Rizzo Environmental

M&A Catalysts Are Among the Highest in the Group

GFL's foray into the US business (~47% of mix) began in 2016 with Michigan (Kinderhook sale of Rizzo), mostly on the resi side. After proving it could successfully enter the US market, despite a few early hiccups, the company's Waste Industries platform deal in 2018 (purchased for ~US$2.8bn [C$3.65bn] from Macquarie) was one of the highest-quality assets in the space. Although the company arguably did not get the asset very cheaply, the post-synergy multiple (building volume density with tuck-in deals) is quite attractive. Moreover, the WM/ADSW divestitures mandated by the DOJ were acquired by GFL recently. We acknowledge that there was some market expectation already baked in that GFL was the front runner on the deal, but the deal came in larger than most were expecting ($345mm in revenue vs $200mm+). It is also important to note that the ADSW asset is very complementary to GFL's Waste Industries business (for more detail see A Sigh of Relief)

Source: Jefferies Initiation, July 1, 2020

Spruce Point Believes GFL Overpays For Deals To Fuel Its Growth

Spruce Point Reality

Spruce Point believes GFL obscures what it is paying for "platform" deals because it has substantially overpaid. Instead, it points investors in its IPO document to an "average adjusted" EBITDA multiple of 7.0x for over 100 deals

GFL Prospectus

"In addition to strong organic growth, we have completed over 100 acquisitions since 2007, generally at an average adjusted EBITDA multiple of 7.0x, excluding platform acquisitions"

Recent GFL Deals

Avg= 10x EBITDA 2.5x Sales

$ in millions

Announced	Target Company	Enterprise Value	Estimated Sales	Estimated EBITDA	Estimated Margin	EV / Sales	EV / EBITDA
Aug 2020	WCA	$1,210	$400	$105	26%	3.0x	11.5x
June 2020	Waste Mgmt. Assets	$835	$345	$93	~27%	2.4x	9.0x
March 2019	Bestway (Colorado)	$84	$30	$10	30%	2.8x	10.0x
Dec 2019	County Waste	$480	$180	--	--	2.7x	--
Jan 2020 (1)	American Waste	$380	$262	--	--	1.4x	--
	Average:	**$860**	**$442**	**$98.9**	**22.3%**	**2.5x**	**10.2x**
Oct 2018 (2)	Waste Industries	$2,825	$754	$213	28.3%	3.7x	12.5x – 14.0x
Oct 2015 (3)	Matrec (Transforce)	$610	$164	$64	38.6%	3.7x	9.6x

1) American Waste sales deduced from disclosure of Interim Acquisitions (combined American Waste and Country Waste) contributing $442m of annualized revenue
2) Waste360 M&A analysis, GFL proxy and Moody's credit analysis
3) Per Transforce financial filings and converted to US$
4) Per Recycling Today, A roll-up itself of 60 acquisitions

Industry Deals

Announced	Acquiror (Merger Partner)	Target Company	Enterprise Value	Est Sales	Est EBITDA	Est EBITDA Margin	EV / Sales	EV / EBITDA
May 2019	Harsco	Clean Earth	$625	$300	$65	21.6%	2.1x	9.6x
June 2019	NRC Group	U.S. Ecology	$966	$955	$216	22.6%	1.1X	8.1x
Mar 2018	Tervita	Newalta	$1,477	$1,964	$185	9.5%	0.7x	8.0x
Jan 2016	Progressive	Waste Conn	$7,815	$4,100	$1,300	31.7%	1.9x	6.0x
July 2012	Highstar	Veolia U.S. Solid Waste Business	$1,900	$818	--	--	2.3x	--
						Average:	**1.6x**	**8.0x**

Source: Valuation at announcement. Company information, Spruce Point Research.

Waste Industries: Failing To Come Clean

GFL's first foray into the U.S. was its $2.8bn merger with Waste industries in Nov 2018. In its Nov 1, 2019 F-1 SEC filing, GFL claimed it was *"vigorously disputing the merits"* of a legal case with Decatur County, and that it *"cannot predict the final outcome of the dispute"*. GFL said any legal resolutions would not have a material effect on it financial position. As such, it appears GFL did not take a legal accrual or charge for this litigation. Yet, with the benefit of a FOIA request, we see that GFL settled the case just 12 days later on Nov 12, 2019 for $15m. How could it not predict the outcome? With net losses projected to be ~$270m in the first nine months through Sept 30th and seeking funds through an IPO, how could GFL argue that a $15m settlement wasn't material?

GFL CEO on Waste Industries

*"Waste Industries strongly complements GFL's brand with an over 47-year history of **providing excellent customer service to its local communities** and has a management team with a proven track record of harnessing technology, processes and systems to drive operating efficiencies. We are excited to welcome the management team and the more than 2,850 employees of Waste Industries to the GFL family."*

GFL On Decatur County Litigation Disclosure

p. 163

*"Waste Services of Decatur, LLC ("WSD"), a subsidiary of Waste Industries, filed a declaratory judgment action against Decatur County related to WSD's life-of-site operating agreement for the MSW landfill owned by Decatur County. While the suit was dismissed, Decatur County brought a counterclaim against WSD and joined Waste Industries, LLC (collectively with WSD, the "Waste Industries Parties") to the lawsuit alleging certain violations of environmental laws and claiming entitlement to remediation of contamination conditions allegedly resulting from the Waste Industries Parties' operation of the MSW landfill and subsequently under the Clean Air Act, the Clean Water Act and the RCRA. **We do not believe Decatur County's allegations are supported or accurate**. **The Waste Industries Parties are vigorously disputing the merits of Decatur County's claims, but we cannot predict the final outcome of this dispute**.* Source: *F-1 Filed Nov 1st, 2019*

GFL On Contingent Liabilities

Note 17(b)

*"In the normal course of business activities, the Company is subject to a number of claims and legal actions that may be made by customers, suppliers or others. Though the final outcome of actions outstanding or pending at the end of the period is not determinable, **management believes the resolutions will not have a material effect on the financial position, statement of operations or cash flow of the Company**."* Source: *F-1 Filed Nov 1st, 2019*

Reality: GFL Had A Basis To Know The Outcome Just 11 Days Later

*"**Waste Industries, a GFL Environmental subsidiary, recently paid more than $15 million to settle years-running litigation over a Tennessee landfill**. This includes $7 million for any remaining host fees and $8 million for outstanding expert fees and litigation costs. **The November 2019 settlement is part of ongoing legal issues GFL is working through after its 2018 acquisition of the company. Obtained by Waste Dive through a public records request, the settlement between Waste Industries and Decatur County marks a resolution over the Decatur County Landfill in Bath Springs**. Under the settlement, Waste Industries is also required to **increase its performance bond posted** with the Tennessee Department of Environment and Conservation (TDEC) **to $20 million**."* Source: WasteDive and Settlement

Suspicious Waste Management Deal Guidance

GFL/WM Deal

On June 24, 2020 GFL announced it's acquiring assets to be divested from WM's acquisition of Advanced Disposal. It's paying US$835m, acquiring US$345m of revenues and 900 employees.

GFL Take on WM Deal

"That's, yeah I mean like I said like in any acquisition Michael, you've got your gold, silver, bronze and you get a couple of pieces lead. Right? It's what you do with the couple of lead you make a bronze, silver and silver gold. The bulk of what we're getting is gold. There's some silver and bronze and a couple of pieces of lead. We've got to figure out what to do with the lead. But you have to take the good with the bad."

*"First, I **think the majority of what we're getting is stuff that is coming off of the ADS platform.** ADS operates on the same operating platform as us being an operating platform called trucks. And given our experience with trucks and the integration team we have, we are believed, we're very well positioned to integrate these assets very easily."*

Spruce Point Reality Check

GFL is acquiring Advance Disposal Services assets. If, by its own admission, it is getting a mixed bag of imperfect assets, than how is it possible based on the metrics it told investors, that the assets are among the most productive and profitable in the industry, and even above Waste Management's corporate average? See the table below

$ in mm	GFL	Advance Disposal (ADS)	Republic Services (RSG)	Waste Connection (WCN)	Waste Management (WM)	WM/ADS Acquired Assets (1)
2019 Revenue	$2,522	$1,623	$10,299	$5,389	$15,455	$345
2019 EBITDA	$622	$404	$2,962	$1,695	$4,506	$93
18-19 Average Employees	10,500	6,137	35,500	17,280	44,300	900
Revenue / Avg Employee	$240,223	$264,461	$290,124	$311,846	$348,871	$383,333
EBITDA / Avg Employee	$59,272	$65,863	$83,437	$98,073	$101,716	$103,500

1) Based on management disclosures and 27% EBITDA margin offered on conference call
Source: GFL press release, call transcript, Bloomberg and Company financials

Signs Suggesting The Waste Management Deal Is At Risk

Spruce Point Reality Check	Spruce Point believes it odd that GFL did not discuss an amended agreement with Waste Management on their Q2 earnings call. At the same time, GFL is introducing greater regulatory uncertainty by acquiring the WCA business. A new "forward-looking" risk factor statement highlighted by GFL may offer clues that its deals are on shaky regulatory grounds.
WM on Q2 Earnings Call	*"Additionally, earlier this week we and ADS **entered into an agreement to an amendment to the previously announced agreement with GFL environmental and GFL is now contracted to purchase all anticipated regulatory divestitures for $863.5 million**."* Source
GFL Q2 Earnings Call	*"I think we have -- let's start with the ADS transaction that we all talked about and had a call on. I think from the ADS perspective, we are ready to hit the switch. From an integration perspective, we spent -- obviously, we're in a constructive relationship with ADS and Waste Management. We spend a lot of time on planning to make sure that this goes smoothly. We have a full road map to actually get this done from an integration perspective, and we're just truthfully waiting to get the final DOJ sign-off so Waste Management can close theirs and then we can close our transaction 5 days later with them."* Source
New "Forward-Looking" Risk Factor Added On DOJ	*"Important factors that could cause actual results to differ, possibly materially, from those indicated by the forward-looking statements include, but are not limited to, the risks and uncertainties inherent in the Acquisition and in our business, including, without limitation: the occurrence of any event, change or other circumstances that could give rise to the termination of the Acquisition Agreement; **the failure to satisfy any of the conditions to the consummation of the Acquisition, including but not limited to, the risk the U.S. Department of Justice may prohibit, delay or refuse to grant approval for the consummation of the Acquisition on acceptable terms, or at all**;"* Source

Spruce Point Capital Management

WCA Deal of Desperation

Spruce Point Reality Check

In our opinion, GFL's announced acquisition of WCA right after Q2 2020 earnings illustrates its desperation to paper over poor performance. Spruce Point believes GFL is overpaying for WCA which was acquired for 1.9x and 8.8x Sales and EBITDA in 2011, while GFL is paying 3x &11.5x. According to one analyst, *"when it was publicly traded back in the early part of the decade at ~6x NTM EV/EBITDA it was not viewed as the highest quality asset."*[(1)] GFL has not yet made good on its promise to close the WM deal (subject to DOJ approval) and is acquiring yet another business subject to DOJ approval, imposing additional regulatory risk. Furthermore, GFL is financing the deal with $600m Preferred Shares convertible into 23.8m GFL sub voting shares with a liquidation preference of 7%. This undercuts current GFL investors.

Transaction Criteria	Opinion	Commentary
Price Paid	⬇	GFL is paying 3x sales for a business that last sold at 1.9x and appears to have declining sales per customer
Regulatory Complication	⬇	GFL has to get DOJ approval and is already in the middle of seeking WM approval and adding risk factors
Operational Complexity	⬇	GFL hasn't yet closed the WM deal and is already doing another a major deal before proving it can make good on prior promises. We already showed H1 2020 results were worse than advertised
Financing Structure	⬇	GFL is issuing Preferred Shares with liquidation preference that undercut its current sub voting investors
Financial Impact	⬇	Highly dilutive. 2020E Losses are increasing from C$277.9 to C$459 - C$444. WCA was recently downgraded to negative outlook by S&P on July 1st. Moody's says WCA is free cash flow constrained. S&P sees risks sales decline
Advisors in Press Release	⬇	No legal/financial advisors listed

$ in mm	Then / 2011	Now / 2020
Asset Overview	Vertically integrated, non-hazardous solid-waste services company. Operations consist of 25 landfills, 29 transfer stations and 29 collection operations. 14 states of operation	WCA operates a vertically-integrated network of solid waste assets, including 37 collection and hauling operations, 27 transfer stations, 3 material recovery facilities and 22 landfills. 11 states of operation
Deal Value	$526	$1,212
Customers	450,000	700,000
Sales	$273.8	$400.0
Sales/Customer	$608	$571
Deal Value/Sales	1.9x	3.0x
Deal Value/EBITDA	8.8x	11.5x
Deal Value/Customer	$1,169	$1,728
Adj. EBITDA % margin	$59.5 22%	$105.0 26%
Cash From Ops Less: Capex Free Cash Flow	$34.3 ($31.7) $2.6	-- See Next Slide! --

1) Jefferies, "GFL Keep Rollin' Rollin' Rollin', 8/31/20

SPRUCE POINT
CAPITAL MANAGEMENT

WCA Capex Discrepancy

Spruce Point Reality Check

A little more than 2 weeks before GFL acquired WCA Waste, Moody's issued a report discussing WCA's free cash flow constraints. Notably, Moody's indicated WCA's capex margin is 15%, well above the industry average. Yet, GFL's investor presentation shows WCA's capex margin at 10.5%. This is $18m of annual capex spend that GFL doesn't appear to be accurately representing. We previously illustrated that GFL has capex accounting anomalies that understate capex amounts.

August 12, 2020

Illustrative Pro Forma Income Statement and Balance Sheet

Pro Forma Income Statement and Balance Sheet

	As at and for 12 months ended June 30, 2020[1]	2020 Outlook excl. WM/ADS & WCA[2]	WM / ADS	WCA	2020 Outlook Pro Forma for WM/ADS & WCA
(C$ millions)					
Income Statement / Cash Flow					
LTM Revenue	3,719	4,060	461[6]	534[6]	[illegible],055
LTM Adjusted EBITDA	919	1,050	127[6]	154[6]	1,330
LTM Adjusted EBITDA margin	*24.7%*	*25.9%*	*27.5%*	*28.8%*	*26.3%*
LTM Run Rate EBITDA	1,036	1,060	127	154	1,340
Annualized capex	-	370	55	56	481
Capex rate[3]	-	*9.1%*	*12.0%*	*10.5%*	*9.5%*
Balance Sheet					
Cash	721	921[4]	(921)	-	-
Revolver	-	-	233	(151)	82
Term loan facility	2,746	2,746	-	-	2,746
Secured notes	1,335	1,335	-	-	1,335
Unsecured notes	1,021	1,021	-	-	1,021
Other debt & adjustments	8	8	-	-	8
New financing[5]	-	-	-	1,001	1,001
Net Debt	**$4,389**	**$4,189**	**$1,155**	**$850**[7]	**$6,194**
Net Leverage	4.24x	3.95x	9.11x	5.54x	4.62x

- Without giving effect to the WM/ADS & WCA transactions and related financing, the current 2020 outlook is to end the year with leverage in the low 4's.
- Current financing considerations increases year end leverage to high mid 4s.
- No expected implications to growth goals or long-term leverage philosophy.
- Go forward free cash flow generation provides opportunity for future delevering.

2020 outlook plus the estimated annual contribution from WM/ADS and WCA results in an annual Run Rate EBITDA of ~$1,340 million, annual capital expenditures of ~$480 million and annual cash interest costs on our long-term debt of ~$300 million (see page 8).

1. June 30, 2020 cash and debt balances converted at the CAD/US exchange rate of 1.335.
2. Represents the mid-point of our estimated range for the 2020 outlook.
3. Represents annualized capex divided by LTM revenue.
4. Includes an estimate of ~$200M of cash flow generated between July 1 and Dec 31.
5. Assumes new financing of US$750M translated at the CAD/US exchange rate of 1.335.
6. Represents estimates of the annualized amounts. Actual amounts realized and reported within our 2020 financial statements will depend on the timing of the closing of the transactions.
7. Consists of the WCA purchase price of US$1,212M plus transaction costs of US$25M less the US preferred equity of US$600M, all translated into CAD at the CAD/US exchange rate of 1.335.

7

July 27, 2020

CREDIT OPINION
27 July 2020

Update

Rate this Research

RATINGS

WCA Waste Corporation

Domicile	Houston, Texas, United States
Long Term Rating	B2
Type	LT Corporate Family Ratings - Dom Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Eric Greaser +1.212.553.6031
VP-Senior Analyst
eric.greaser@moodys.com

WCA Waste Corporation

Update to credit analysis - Pricing and acquisitions boosting earnings but growth spending constraining free cash flow

Summary

WCA Waste Corporation's (WCA) comparatively small revenue base ($410 million) generates breakeven free cash flow due to ongoing growth capital expenditures and fleet conversions and modest interest coverage (EBIT-to-interest 1.2x). Debt-to-EBITDA is in the mid-5x range but expected to fall comfortably below 5x once the company repays funds drawn under the revolving credit facility to bolster cash in response to the coronavirus outbreak. In addition to lower cost absorption from limited scale, the high proportion of residential collection operations and wide-ranging operating footprint constrict margins (low 20% range) relative to larger industry peers which have EBITDA margins in the upper-twenty percent range.

WCA's key markets of Houston, Texas, Kansas City, Missouri and Central Florida continue to experience above average population and economic growth which translates into steady growth in waste volumes. Volumes were up over 2% in 2019 but with April and May hit hard by the domestic economic shutdowns, matching the 2019 level will be challenging as commercial volumes remain weaker. We expect free cash flow generation to remain challenged as the company continues to make capital investments to build out its collection network as well as the steady conversion of its collection fleet to automated trucks and compressed natural gas engines. In addition, an active acquisition strategy requires fleet and equipment upgrades, keeping WCA's reported capital expenditures as a percentage of revenues over 15%, well above the long-term industry average of approximately 10%.

Source: GFL investor presentation

Fine Print: Capex is "annualized capex divided by LTM revenue"

WCA Deal of Desperation

Spruce Point Reality Check

From two independent third-party credit rating agencies, we see a less optimistic view about the potential and history of WCA Waste. Moody's describes WCA as "disjointed operating footprint and lower margins". S&P points out that it expects WCA's total revenues to contract for 2020, a fact that GFL did not highlight to investors.

CEO Dovigi on WCA Deal Call

"And under the watch of Bill Caesar really done a great job of putting in multiple disciplines with that business in transforming that business really over the last 7, 8-years."

Moody's on WCA Waste

Disjointed Operating Footprint Translates Into Lower Margins

As a vertically-integrated waste management company with a large number of disposal assets, WCA's strategy is to expand collection operations to capitalize on its entire revenue stream (higher internalization rate). This can be challenging as many of the company's landfills are located in less densely populated areas where contiguous collection routes are difficult to obtain. WCA is addressing this shortfall by aggressively bidding on new business, expanding services with existing customers and embarking on a steady diet of tuck-in/bolt-on acquisitions in targeted markets. EBITDA margin improvement from the current low-20% range hinges on management's ability to expand WCA's presence and density in regions with greater growth prospects - core regions such as Houston, Central Florida and Missouri.

With a high fixed-cost structure, a material pick-up in waste volumes will noticeably improve WCA's margins. We note that relative to industry peers, WCA's collection revenues stemming from commercial customers is rather low, further restricting overall margins. As part of its strategy for building out its collection network, the company is focused on increasing the proportion of revenues derived from higher margin commercial and permanent industrial waste streams. With the coronavirus pandemic, commercial waste volumes have been impacted the most as office buildings, restaurants and schools continue to face the biggest obstacles for reopening. Volumes sourced from residential customers, nearly 30% of WCA's revenues, tend to be more resilient against economic down cycles. However, these more stable volumes come with lower margins with pricing tied to a cost index such as the CPI versus the more economic-cycle dependent commercial and industrial waste volumes which are more profitable collection lines for solid waste haulers.

Source: Moody's, *"WCA Waste Corporation: Update to credit analysis - Pricing and acquisitions boosting earnings but growth spending constraining free cash flow"*, July 27, 2020

S&P on WCA Waste

A weak domestic macroeconomic environment will likely hurt collection and disposal volumes. Despite a good start to the year with 5.4% organic revenue growth during the first quarter (2.6% from yield, 3.5% from volume, and a 0.7% contraction from other items), WCA will likely experience significantly lower organic volumes during the second quarter and potentially even later on, which could cause total revenue to contract for the full year. S&P believes social distancing and reduced commercial activity as a result of the COVID-19 pandemic will hurt the company's commercial (about 20% of sales) and roll-off (about 22%) volumes, though its residential (27%) business should be more resilient. Partially mitigating the expected downturn in commercial volumes is the fact that WCA operates mainly in the Southern U.S., in states including Texas, Missouri, Florida, and Alabama, among others, where the rates of COVID-19 cases are lower than those in major population centers on the East and West coasts, and the regional economies in these states are reopening. Still, while there is some sentiment that the pace of waste volume declines has eased in April and May, there could be a resurgence of coronavirus cases later this year, which could present new challenges.

Source: WCA Waste: S&P Alters Outlook To Negative, Affirms B+, July 1, 2020

Unexplained Financial Expectation Revisions Conveniently Made When Promoting A New Deal

Spruce Point Capital Management

Spruce Point Reality Check

We find inconsistencies in GFL 2020 Free Cash Flow outlook in the second half of the year. There is no explanation as to why 2H FCF estimates changed from $275 - $300m to $318 - $328m in just a week's time. Importantly, GFL's outlook figures *"excludes additional acquisitions that may close during the year, including the WCA transaction and the acquisition of divestiture assets from Waste Management and ADS."* Thus, they should be apple-to-apples. We believe this is additional evidence of financial control concerns at GFL, or at worst management cherry-picking more flattering figures to sell the WCA deal to investors.

August 12, 2020 (Revised Post WCA Announcement)

The following tables provide a reconciliation of free cash flow to cash flows from operating activities for the 2020 Outlook:

($ millions)	Estimated Range Low	Estimated Range High
Cash flows from operating activities before the items below	$ 730	$ 750
Add:		
Costs associated with IPO related debt repayment[1]	(153)	(153)
Transaction and acquisition integration costs[2]	(28)	(28)
Acquisition related working capital	1	1
Deferred purchase consideration	(1)	(1)
Cash flows from operating activities	**549**	**569**
Net capital expenditures	(365)	(375)
Free Cash Flow	**184**	**194**
Free cash flow-first half of year (reported)	(134)	(134)
Free Cash Flow- second half of year (outlook)	**$ 318**	**$ 328**

Source: GFL press release

August 5, 2020

*"When you think about how cash flow and leverage should play out over the balance of the year, we should incur an additional $140 million to $150 million of CAPEX and approximately $140 million, $145 million of cash interest costs in the second half of the year. If you layer on the conservative assumption of working capital, ending the year as cash flow neutral, **you get to a free cash flow number of somewhere between $275 million and $300 million for the back half of the year**, depending on your views of where we end up in terms of EBITDA."*

Source: Q2 Earnings Conference Call

Hear No Equity, See No Equity

GFL has been creative in building its capital structure, first with "Tangible Equity Units" and now with "Preferred shares". The Company would like investors to think these are somehow not equity. Call it what you want, but they convert into equity, and can ultimately be dilutive.

CEO Dovigi WCA Deal Call

"We do not need any more equity. So I know that rumor has been out on the street that we were going to be outgoing searching for and doing some form of equity offering. I can tell you today we are not doing another equity offering."

Analyst Buys Into The Narrative

GFL

Keep Rollin' Rollin' Rollin'

August 13, 2020

Key Takeaway

GFL announced the WCA waste deal which was not a total surprise but timing wise happened earlier than expected (2020 guidance update also happened which should have been done earlier but is growing pains as a new public co). The best part about pulling off these deals is that GFL doesn't need any more equity so it can focus on integration, delevering and small tuck ins which is what they have done best under a decade of PE ownership. Below are our key takeaways

"The best part of the deal is that GFL doesn't need any more equity…."

Call It By Any Other Name, Just Not Equity…

Dilutive Preferred Equity That Undermines Current Investors

Financing of the Acquisition

GFL is well positioned to fund the Acquisition with its strong balance sheet and proven access to the capital markets. The Company expects to finance the Acquisition through a combination of cash on hand, capacity under the Company's revolving credit facility and the net proceeds from the issuance of US$600 million of Series A convertible preferred shares (the "Preferred Shares") to affiliates of HPS Investment Partners, LLC (the "Investors"). We will also explore a longer-term strategic and opportunistic debt financing of US$500 million to US$750 million, as such opportunities present themselves.

The Company and the Investors have entered into a subscription agreement pursuant to which the Investors have agreed to subscribe for an aggregate of 28,571,429 Preferred Shares at US$21.00 per share, for aggregate gross proceeds of US$600 million (the "Private Placement").

The Preferred Shares are initially convertible into 23,809,524 Subordinate Voting Shares, representing approximately 6.8% of the issued and outstanding Subordinate Voting Shares and 5.2% of the outstanding voting rights attached to the Company's shares, assuming the closing of the Acquisition and based on the initial liquidation preference and a conversion price of US$25.20 per share, representing more than a 20% premium to the current market price.

The liquidation preference of the Preferred Shares will accrete at a rate of 7% per annum, compounded quarterly, provided that, after year four, if GFL elects to pay the optional redemption amount (as described below) for a particular quarter in cash, the accretion rate for that quarter will be 6% per annum.

Source: [GFL press release]

Crime Doesn't Pay: Rizzo Environmental Fraud

GFL announced its move into the U.S. through the acquisition of Rizzo Environmental Services, headquartered in Sterling Heights, Michigan. The acquisition proved to be an inauspicious start to GFL's U.S. expansion, as shortly thereafter, Rizzo was charged with fraud. Rizzo was able to maintain and expand his equity stake in GFL.(1) At a minimum, this illustrates poor due diligence on the part of GFL, and a consistent theme Spruce Point believes is occurring with GFL's acquisitions. GFL paid $118m for Rizzo per court filings.

GFL and CEO Dovigi **Oct 2016 (2)**	*"Rizzo Environmental has a loyal and growing customer base because of its market leading customer service and its committed management team, led by Chuck Rizzo, Jr., who brings over 25 years of waste industry experience and relationships to GFL. "Chuck (Rizzo, Jr.) and his management team share the same growth vision and commitment to safety as GFL," Dovigi continues. "__**Rizzo Environmental is a natural fit, both geographically and culturally**__, for GFL's plans to grow the GFL brand into the United States. We expect Rizzo Environmental to serve as a foundation from which GFL can continue its growth strategy into the Midwestern U.S. through both acquisitions and organic growth. The customers and employees of Rizzo Environmental will see little change in the way that Rizzo Environmental has historically operated with its headquarters remaining in Sterling Heights. GFL also announced that it has completed the acquisition of Enviro-Smart Organics Ltd. and West Coast Lawns, an organics waste processing facility and turf farm in Delta, British Columbia, Canada. GLF says that its acquisition of Enviro-Smart confirms the company's commitment to investing in environmental processes that can be applied and offered to customers from other GFL facilities."* (See: Enviro-Smart)
Justice Dept **Oct 2016 (3)**	*"__**The former CEO of garbage hauler Rizzo Environmental Services (RES), Charles B. "Chuck" Rizzo, 46, of Bloomfield Hills, was indicted today on five counts of bribery and three counts of conspiracy to commit bribery, in connection with garbage contracts in Clinton, Macomb, and Chesterfield townships**__, Acting United States Attorney Daniel L. Lemisch announced. The superseding indictment also charges Charles B. Rizzo and Fiore, as well as Rizzo's father, Charles P. Rizzo, 70, of New Baltimore, and Derrick Hicks, 47, of Bloomfield Hills, with conspiracy to commit mail and wire fraud. In addition, Charles P. Rizzo is charged with seven counts of mail and wire fraud, and his son, Charles B. Rizzo, is charged with twelve counts of mail and wire fraud. The fraud charges are based on the defendants' conspiracy involving at least ten different schemes to steal money from RES between 2013 and 2016, a time when the majority owner of RES was a New York based private equity firm."*
Dovigi on the Rizzo Fraud **Oct 2016 (4)**	• *"This is not the way GFL conducts business. We take these allegations very seriously," Dovigi told reporters in a teleconference, noting that nobody at Rizzo or the government ever informed his company about an FBI probe or bribery allegations. "__**We found out about the allegations through the Detroit Free Press article. We were not advised by anyone internally**__."* • *"Dovigi said that had his company known about the probe, __**it likely would not have purchased Rizzo."**__* • *"__**When asked if he believes Chuck Rizzo Jr. owes his company an apology, he said: "For now – no. It is what it is."**__*

1) "Kinderhook sells equity in Rizzo to GFL", Kinderhook, Oct 2016
2) *"GFL Environmental, Rizzo Environmental Complete Deal"*, Recycling Today, Oct 2016
3) *"Garbage Executive and Tow Company Owner Charged with Bribery and Fraud"*, US Dept of Justice, May 2017
4) *"Rizzo's Red Garbage Trucks To Get Dumped Amid FBI Probe"*, Detroit Free Press, Oct 2016

Rizzo A Key Growth Partner For GFL?

Not only was Rizzo to have a continuing equity interest in GFL, it is clear that he had an incentive plan arranged with GFL tied to growing the Company.

From: Chuck Rizzo
To: DuMouchel, David F.
Cc: Donnini, George B.; Geroux, Debra A.; Dudley II, Arthur; Klotz, Gary
Subject: Trash Taxi and GFL losses
Date: Thursday, November 03, 2016 8:47:55 AM

David,
I left you a message on your voice mail and Deb's regarding Bob's call to me yesterday. Bob was very respectful and again stated all my efforts have helped them beyond what they ever thought, in terms of people also now calling and helping them with several other leads totally unrelated to Rizzo or me or my family, resulting from the media hurricane over the past few weeks. I told Bob I lost everything, my job, respect and friends. I also said I'm now about to loose Trash Taxi's largest community contract that was suppose to be awarded to Trash Taxi on Nov 22. Due to WM slandering us. I asked if Bob could get Trash Taxi some kind of "all clear" letter or something, he said he would talk to his people.

FYI- Not sure if this helps but by my relationship ending with GFL will cost me over $15m in future bonuses and etc. I had an incentive bonus plan to grow the company, plans were to double the business.

When can we discuss more? Let me know, thanks!

Chuck Rizzo

Source: U.S. vs. Rizzo, Exhibit 4

SPRUCE POINT CAPITAL MANAGEMENT

Did GFL Pay Almost $140m For Soil Safe, A Distressed Asset?

GFL announced the acquisition of Soil Safe in July 2019. The deal announcement lacked financial terms and any information that would give insight into Soil Safe's state of affairs. However, Spruce Point's investigation reveals the business was owned by Ares Capital Corp (NASDAQ: ARCC) a publicly traded BDC. Per Ares' filings, we see that it marked the equity as worthless and booked a $13m net realized gain. Soil Safe had $127m of sales through the 9m ended Sept 2019 (so we estimate $169m of annual sales). It appears that Soil Safe was struggling to make money and having to borrow at double digit interest rates.

GFL and CEO Dovigi

July 9, 2019 (1)

"Soil Safe and its management team led by Mark Smith, are recognized as industry leaders in contaminated soil recycling and the development of inert soil products for beneficial use in sustainable construction and green building applications. GFL is one of the largest processors of contaminated soils in Canada and our acquisition of Soil Safe is in keeping with our strategy of replicating all of our service offerings in the US," said Patrick Dovigi, GFL's Founder and Chief Executive Officer. "Soil Safe's in-house expertise and recycled products complement and extend our existing capabilities as we build our infrastructure business to service our customers' needs across North America. We are excited to welcome Soil Safe and its employees to the GFL team."

As of June 30, 2019

Company(1)	Business Description	Investment	Interest(5)(9)	Acquisition Date	Amortized Cost	Fair Value	
Soil Safe, Inc. and Soil Safe Acquisition Corp. (7)(19)	Provider of soil treatment, recycling and placement services	First lien senior secured revolving loan	—	1/3/2017	—	—	(17)
		First lien senior secured loan ($11.1 par due 1/2020)	10.75% (Base Rate + 5.25%/M)	1/3/2017	11.1	11.1	(2)(15)
		Second lien senior secured loan ($12.7 par due 6/2020)	10.75% (Libor + 7.75%/M)	1/3/2017	12.7	12.7	(2)(15)
		Senior subordinated loan ($47.1 par due 12/2020)	16.50% PIK	1/3/2017	47.1	47.1	(2)
		Senior subordinated loan ($39.3 par due 12/2020)	14.50% PIK	1/3/2017	39.3	39.3	(2)
		Senior subordinated loan ($39.7 par due 12/2020)	17.50% PIK	1/3/2017	13.9	29.7	(2)
		Common stock (810 shares)		1/3/2017	—	—	
					124.1	139.9	

Spruce Point Reality Check

Ares Capital marked Soil Safe's equity at zero and booked a $13m "net realized gain". This suggests the deal was close to the value of the debt's fair value. The double digit interest rates paid by Soil Safe at a time of ultra low borrowing costs charged illustrate that Soil Safe was a deeply distressed company.

Source: Ares 10-Q 6/30/19 and 10-Q 9/30/19

1) GFL Press Release

The Bestway Acquisition: Handled In The Worst Way According To Locals

GFL announced the acquisition of Bestway, pushing its expansion into the Midwest Colorado Springs region. The deal was promoted by Regional VP John Griffith, who described the deal *"as an exceptional fit", that customers "shouldn't notice any change in service",* and that all of Bestway's management and senior staff would stay on with the business. However, Spruce Point's research reveals otherwise. Customer complaints' surged and GFL's VP Griffith has since resigned.(1) Furthermore, we've heard that senior Bestway management has left the business, and their LinkedIn profiles corroborate this by not mentioning GFL.(2) Based on our research, GFL paid $84m. We estimate Bestway had $30m of sales, and GFL paid a hefty 2.8x / 10x multiple of sales and EBITDA.

GFL and Regional VP John Griffith

July 9, 2019

"Bestway is a great company and compliments GFL's existing footprint in Colorado," says John Griffith, a regional vice president of GFL. "__This merger is an exceptional fit for both companies__, because it allows for Bestway to access to GFL's greater resources, capital, and expertise in things like safety and sustainability, while still allowing Bestway to maintain its culture of excellent customer service and its special relationship with the Colorado Springs community to remain intact. Griffith said that apart from some technological upgrades coming to Bestway's internal systems, __its existing customers shouldn't notice any change in services__. __All of Bestway's 153 employees and management team were retained in the merger__. "We are proud that all of Bestway's management and senior staff has been invited to stay post-merger and has elected to do so," Griffith says. "With the addition of the Bestway team, the future very bright for GFL in Colorado."

Local News

Feb 2020

To

July 2020

- *"For the past several months, customers of the trash hauling company formerly known as Bestway Disposal __have overwhelmed the company's phones and social media with complaints__."*
- *"The transition from the locally owned Bestway to the much larger corporation has __been a rough road__."*
- *"__Are you guys planning on picking up trash this week__?" Tyler H. wrote on GFL's Facebook page four weeks ago. "You missed it last week."*
- *"Other __customers complained that they were unable to contact the company about missed pickups__."*
- *"I've called and emailed," Shannon J. wrote on the Facebook page. "Nothing. __My trash can is overflowing__."*
- *"But then, GFL started moving more than 40,000 residential customers to a __new billing system that was considerably more complex than Bestway's had been__. The company also brought in GFL's phone system.*
- *Staton said he probably underestimated the difficulty of making the switches.*
- *__"In early July, customers of GFL Environmental started reaching out to the 11 News Call For Action team noting several issues with the new service provider__. Some customers reported having their route skipped more than once. The same customers added they had issues getting in touch with anyone at GFL Environmental by phone, email and social media."*

Recent Yelp Reviews

1/9/2020

It's really gone downhill under GFL, the new owner. Recycling pickup skips about every other week lately. Nobody answers their phone. My latest bill includes a mystery fee on top of the regular service charge with no explanation. Their social media team gave me an email address to write to with problems but they don't respond either. Bestway was really good and GFL seems to be running it into the ground. Two stars only because they haven't missed a trash pickup-- yet.

7/14/2020

WHAT is wrong with this company? I have called, left messages, written a strong letter to corporate hq in Toronto and after a week....nothing. All I wanted to do was reduce my service. Things have gone straight in the toilet since the Canadian takeover of what once was a good company. Will they EVER return my call?

Source: "*Transition From Bestway To GFL An Uphill Battle*", CSBJ, Feb 2020
"*GFL working to overcome trash service issues for Colorado Springs customers*", KKTV11, July 2020
"*GFL acquires Colorado-based Bestway Disposal*", Recycling Today, March 2019

Yelp Reviews 1) Griffith's LinkedIn Biography 2) Tom Kiemel and Phil Kiemel

Spruce Point Capital Management

Enviro-Smart or Enviro-Stupid Acquisition?

GFL touted the acquisition of Enviro-Smart Organics, but we believe it is not without problems. The Company has operated without an air quality permit for years. Locals claim the foul stench is a serious problem. GFL must contain the odors within 1km of the facility, but has claimed onerous capital investment as a means to appeal. In our opinion, this is just another poorly planned deal by GFL that resulted in unexpected higher costs to shareholders.

GFL Press Release

Oct 3, 2016 (1)

*"GFL also announced that it has completed the acquisition of Enviro-Smart Organics Ltd. and West Coast Lawns, a state of the art organics waste processing facility and turf farm in Delta, British Columbia. **The Enviro-Smart acquisition confirms GFL's commitment to investing in leading edge environmental processes that can be applied and offered to our customers from other GFL facilities**."*

Local News

Aug 2018 (2)

- *"**Enviro-Smart Organics operated without an air quality permit for several years**."*
- *"**It smells as if you let garbage out in the sun for a few days**," said the Ladner resident, whose home sits about a kilometre away from an industrial composting plant."*
- *"**It's gross. It feels like you're living in garbage**," he added.*
- *"**The stench emanating from Enviro-Smart Organics has drawn the scorn of hundreds of residents in the residential** neighbourhood and spawned numerous complaints levied at the city, the district and the plant itself."*
- *'In early August, Metro Vancouver finally issued a permit for Enviro-Smart Organics. **The company is now required to enclose all of the waste that currently sits outdoors**."*
- *"**By March 2020, the company must fully enclose its odorous sources, take that air and fully treat it**," said Ray Robb, Metro Vancouver's regulation and enforcement division manager."*
- ***The 43-page-permit ultimately orders the smells to be contained within one kilometre of the facility by the 2020 deadline**.*
- *"The likelihood is that while the appeal process is in place, GFL won't invest in the new facility," he said. GFL can also appeal the conditions of the permit.*

Appeal and compliance Update April 2019 (3)

GFL Grounds for Appeal

Some of the key points of GFL's appeal include that the Permit is unduly prescriptive and that certain requirements in the Permit are not necessary for the protection of the environment. GFL further claims that the term of the Permit (expires September 30, 2023) is unreasonable given the substantial capital investment involved for the upgraded enclosed facility and that the requirement to enclose the facility by March 1, 2020 is onerous, unreasonable, and capricious.

Source:
1) *"GFL Environmental Inc. Announces First U.S. Acquisition, B.C. Organics Acquisition"*, press release
2) *"'You're living in garbage': How a Delta composting plant got away with stinking up an entire neighbourhood"*, CBA.ca, Aug 30, 2018
3) *Appeal Board and compliance Update*, City of Delta

Enviro-Smart Situation Spiraling Out of Control

Problems are still occurring at Enviro-Smart according to a recently filed citizen complaint.
"Murder Trials Take Less Time!" **than resolving the GFL stench according the complaint.**

147

Mayor & Council

From:
Sent: Wednesday, July 8, 2020 11:33 AM
To: Sean McGill; Mayor & Council
Cc: Mike Brotherston; Alyssa Bradley
Subject: Odours increasing in East Ladner

Agenda FILE # 5280-02

TYPE: Reg Agenda
DEPT: CS-CAPE
A.T. #: 139 431
Comments: July 20/20 Reg Meeting

Good Morning Mayor and Council, City Manager

The odours from GFL have become increasing foul and more frequent over the past few weeks. While the residents continue to navigate the Air Permit appeal with Metro Vancouver, we want you to know that as tax paying residents, the nuisance continues. Three full years since GFL took over and the foul odours escalated – almost TWO full years since the Air Permit came into effect. Over SEVEN years since Delta strenuously opposed an air permit be mandatory for the Enviro Smart facility. You all might feel differently if you resided in East Ladner like we do.

Why are we still forced to make complaints to Metro Vancouver when they are unable and unwilling to control the emissions that continue to cause adverse health effects for myself and others in our neighbourhood. It seems like all regulatory bodies have trusted GFL is doing the "best they can" and allow the business to proceed at their own pace, with their own excuses for the delay. It is doubtful that any investigations are being made, as no follow-up is communicated. Living less than 1km from GFL our complaints are pointless.

Where is the consideration for the residents? The EAB Hearing continues on July 21st, with no end in sight. The resident appellants continue to invest our time and money into attending these hearings. Murder trials take less time! It could still take months before the Panel reaches a decision. Meanwhile, another summer of stench is in the cards for my family and neighbours. It's simply deplorable. No accountability and not a single apology. It is difficult to be patient with a process that

Regards,
Wendy and Michael Betts
6793 London Drive

Source: City of Delta

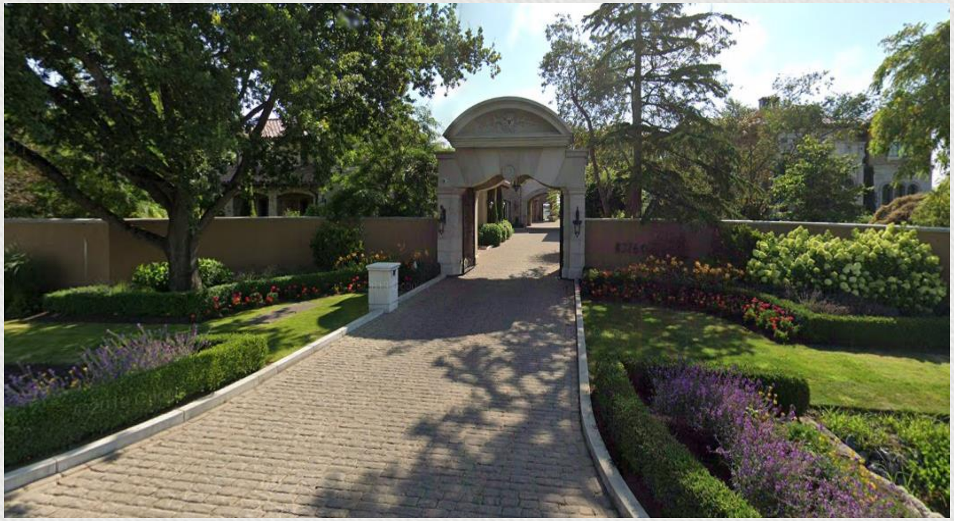
Despite Citizen Complaints, Enviro-Smart Manager And Founder Enjoying Perks

Given the multitude of lavish properties that CEO Dovigi owns, we find it unusual that GFL leases a mansion from Daryl Goodwin, a current employee and seller of Enviro-Smart Organics to GFL. We believe this should be considered a related-party transaction. We believe this is an excessive perquisite for an employee, even if a portion of the land is being used for business purposes.[1] Does CEO Dovigi use this property as well when in BC?

Item No.	Landlord	Municipal Address
British Columbia		
46.	West Coast Farms Ltd.	4295-72nd Street, Delta, BC
47.	Hungtai Enterprises Inc.	4384-46A Street, Delta, BC
48.	Daryl Goodwin	4230 46A Street, Delta, BC
49.	Daryl Goodwin	3760 72 Street, Delta, BC

Feb 19, 2019 Credit Agreement, filed March 11, 2020

Daryl Goodwin:
Current: GFL District Manager / Enviro-Smart Organics



Source: Google Maps 1) City of Delta Report

Spruce Point Capital Management

Future Environmental (Problems!)

GFL acquired Future Environmental, an Illinois-based company specializing in used oil collection and other industrial services. The move gives GFL a foothold in eight new Midwest states — Illinois, Wisconsin, Iowa, Kentucky, Oklahoma, Indiana, Missouri and Ohio — and expands its presence in Michigan. Future Environmental generates an estimated $75-$80 million worth of revenue. While CEO Dovigi was calling it *"one the premiere liquid waste businesses in the U.S."* the evidence suggests otherwise. Within just a few months, the Illinois EPA agency levied enforcement charges against GFL for systems *"in poor condition"* which caused oil leakage and ground damage. Spruce Point believe this is further evidence of poor acquisition and property due diligence on the part of GFL.

Dovigi on Future Environmental Nov 2018 (1)

Dovigi described it as "one of the premiere liquid waste businesses in the U.S."

State of Illinois EPA

Feb 2019 (2)

NEWS RELEASE

Illinois Environmental Protection Agency
1021 North Grand Avenue East, P.O. Box 19276
Springfield, Illinois 62794-9276
Phone: 217/782-3397

FOR IMMEDIATE RELEASE
February 5, 2019

Contact: Kim Biggs
217-558-1536
Kim.Biggs@illinois.gov

Illinois EPA Refers GFL Environmental (Future Environmental) to Attorney General for Enforcement

Agency Cites Large Release of Used Oil

SPRINGFIELD – Illinois Environmental Protection Agency Acting Director John J. Kim has referred an enforcement action to the Illinois Attorney General's office against GFL Environmental, doing business as Future Environmental, located at 2101 Adams Street, Granite City (Madison County). The referral cites a large spill of used oil from above-ground storage tanks.

On February 4, 2019, a report was made to the Illinois Emergency Management Agency regarding a large spill of used oil. Approximately 200,000 gallons were released from above-ground storage tanks with an estimated 500 to 1,000 gallons escaping from the secondary containment system impacting the ground and sewer systems in the area.

Oil was observed at the local Wastewater Treatment Plant (WWTP). Absorbent booms were placed in the sewers and there is no impact to operations at the WWTP. The spill also impacted a neighboring property with an empty warehouse with partial dirt floors. Remediation in the building has already begun.

A remediation contractor has been on scene and will be coordinating the cleanup and remediation, but additional resources were needed at the site on February 5th to continue the remediation.

In the referral, the Agency cited violations of the Illinois Environmental Protection Act. Illinois EPA has asked the Attorney General to seek immediate injunctive relief against the company. It also seeks an order directing the defendant to cease and desist from any storage of used oil on-site without approval from Illinois EPA due to the poor condition of the tanks and containment system. The Agency believes an injunctive order is necessary to prevent site conditions from worsening and ensure the spill is managed in a proper manner.

11. On February 4, 2019, Illinois Environmental Protection Agency ("Illinois EPA") asserts that it inspected the site and found the secondary containment system in poor condition, with vegetation growing out of the bottom of the containment. Illinois EPA asserts that it observed a steady stream of oil flowing through a clay tile pipe under the secondary containment system, under an adjacent warehouse, and into the Granite City sewer system. Illinois EPA concluded that more than 1,000 gallons of used oil had escaped from the secondary containment system at the site.

Future Env't Former Owner Doing Just Fine!

(3)

Steven Lempera, the president of Future Environmental, paid $25.5 million for a waterfront mansion in Coral Gables - the most expensive deal in the city since 2017.

ICB Properties of Miami, managed by Petro Plus Overseas President Vincent Miclet, sold the 14,000-square-foot mansion at 41 Arvida Parkway in Gables Estates. The seller was represented by Marc Hameroff and Lourdes Alatriste of Engel & Volkers Florida. Originally listed for $68 million, it sold at an auction conducted by Concierge Auctions.

Source:
1) *"GFL bridges Colorado-Carolinas gap with new liquid waste acquisition"*, Waste Dive, Nov 2018
2) *"Illinois EPA Refers GFL Environmental (Future Environmental) to Attorney General for Enforcement"*, State of Illinois, Feb 2019
3) *"Executive pays $26m for waterfront mansion in Coral Gables"*, Business Journal, May 2019

SPRUCE POINT CAPITAL MANAGEMENT

Future Environmental (Problems!), (Cont'd)

Based on our research, we believe GFL had significant employee retention issues from its acquisition of Future Environmental. A local court case in Illinois shows GFL had to file an injunction against employees going to Hunter Pipeline Services. We also find LinkedIn employee profiles showing overlap between these two companies.

GFL Employee Injunction Lawsuit Illinois

Clerk of the Circuit Court
Andrea Lynn Chasteen

Parties | Offenses | Financials | Schedule | Events | Search End

Case:	2019CH000014	**Status:**	Closed	**Opened:**	01/08/2019
Title:	GFL ENVIRONMENTAL SERVICES USA vs. HUNTER PIPELINE SERVICES, LLC				
Type:	CHANCERY	**File Type:**	Injunction	**Closed:**	03/14/2019

Source: Will County Court

Various Employees Long-Time Have Left Future Environmental

Not With GFL
Wouldn't you like to know
Feb 2019 – Present · 1 yr 6 mos
At shows coming to you soon

Future Environmental Inc.
15 yrs 4 mos

Regional Manager
Jan 2011 – Present · 9 yrs 7 mos
Cushing Ok

Project Manager
Apr 2005 – Jan 2011 · 5 yrs 10 mos

Source: Employee 1, 2, 3

Governance Concerns With The Board: Whose Interests Are Served?

Spruce Point Has Concerns With Some of GFL's Board And Its "Independence"

Spruce Point believes investors should not be comforted by GFL's supposed "Independent" Board. As a documented fact, Mr. Nayar is an advisor to BC Partners, the largest institutional shareholder BC Partners. Mr. Guindi's firm received fees from OTPP and BC Partners.

	Dino Chiesa	Shahir Guindi	Arun Nayar
GFL Claims Independent	Lead Independent	Yes	Yes
Year Joined	2007	2018	2018
Primary Experience	Commercial Real Estate	Business Law / Technology and Biotech	Finance / Consumer Products
Location	Toronto, Ontario	Montreal, Quebec	Miami, FL
Committee	Audit and Nominating/Governance/ Compensation	Audit	Audit and Nominating/Governance/ Compensation
Work Experience In Waste Management Or Environmentally Sensitive Industries	NO	NO	NO
Other Concerns and Insights	• From our research, Mr. Chiesa has was described as an honorable and accomplished businessman • Maintains friendship with Mr. DiBattista, CEO Dovigi's former business partner that sued him • Continued business dealings with Mr. Villa despite the Earthworx issues	• Mr. Guindi's law firm Osler represented key GFL investors BC Partners and OTPP in the April 2018 recap transaction, another fact undisclosed to new investors in GFL's prospectus • Can his judgement be "independent" or in favor of his past clients vs. new shareholders	• Mr. Nayar also serves as the Audit Chairman on the Board of Amcor Plc, a company Spruce Point has heavily researched and believes is covering-up financial strains, including declining organic sales growth • Mr. Nayer's GFL bio fails to state he is an Advisor to BC partners, which he puts on his Amcor bio

Spruce Point Capital Management

Audit Director Nayar's Biography Has A Glaring Omission

Why does Mr. Nayar conceal he is being paid by BC Partners on his GFL biography? GFL Directors receive no compensation from the Company, but is Mr. Nayar receiving compensation from BC Partners?

Arun's Biography According to Amcor PLC

ARUN NAYAR

Age 68

Director Since: **2019**

INDEPENDENT

BIOGRAPHY:

Mr. Nayar served on Bemis' board of directors from 2015 until the Transaction closing in June 2019. Mr. Nayar is currently a senior advisor with McKinsey & Company as well as BC Partners, roles he has held since 2016. Mr. Nayar retired as the Executive Vice President and Chief Financial Officer of Tyco International plc, a fire protection and security company, in 2016, having served in that role since 2012. Mr. Nayar joined Tyco in 2008 as the company's Senior Vice President and Treasurer and later acted as the Chief Financial Officer of Tyco's ADT Worldwide business and Senior Vice President, Financial Planning & Analysis, Investor Relations and Treasurer. Prior to joining Tyco, Mr. Nayar spent six years at PepsiCo, most recently as Chief Financial Officer of Global Operations. Mr. Nayar is also on the Board of TFI International (listed on the Toronto Stock Exchange) and Rite Aid (NYSE: RAD). As a Senior Advisor to BC Partners, he also serves on the Board of GFL Environmental, a Canadian incorporated company that is majority owned by BC Partners, a private equity firm. Mr. Nayar's global experience and expertise in financial reporting, financial analytics, capital market financing, mergers and acquisitions and treasury matters provide important insight into the global financial matters for Amcor's board of directors.

COMMITTEES:

- Audit (Chair, effective September 30, 2019)

Source: Amcor Proxy

Arun's Biography According to GFL

Omits BC Partners Advisor Role

Arun Nayar

Mr. Nayar has served as a member of our board of directors since 2018. Mr. Nayar retired in December 2015 as Executive Vice President and Chief Financial Officer of Tyco International, an over US$10 billion fire protection and security company, where he was responsible for managing the company's financial risks and overseeing its global finance functions, including tax, treasury, mergers and acquisitions, audit and investor relations teams. Mr. Nayar joined Tyco International as Senior Vice President and Treasurer in 2008 and was also Chief Financial Officer of Tyco International's ADT Worldwide. From 2010 until 2012, Mr. Nayar was Senior Vice President, Financial Planning & Analysis, Investor Relations and Treasurer. Prior to joining Tyco International, Mr. Nayar spent six years at PepsiCo, Inc., most recently as Chief Financial Officer of Global Operations and, before that, as Vice President and Assistant Treasurer—Corporate Finance. Mr. Nayar currently serves on the board of directors of Amcor PLC (NYSE: AMCR), a manufacturer of packaging products, he serves on the board of directors and is Chairman of the Audit Committee of TFI International Inc. (OTCMKTS: TFIFF), a leader in the transportation and logistics industry and also serves on the board of directors of Rite Aid (NYSE: RAD), a leading retail drugstore in the United States. Mr. Nayar is also Senior Advisor to McKinsey and Company.
Mr. Nayar brings over 40 years of financial experience to the board of directors of GFL. His experience as a chief financial officer provides useful insights into operational and financial metrics relevant to GFL's business. Mr. Nayar is a fellow of the Institute of Chartered Accountants in England & Wales.

Source: GFL filings

Directors Have Historically Had Little At Risk Or Incentives At GFL

With no cash compensation and little equity, GFL's Directors, notably those not employed by the largest owners, were not incentivized to oversee management as a private company.

What Incentives Did Directors Have In 2019?

Director Compensation

We did not pay our directors any compensation for their service as directors during Fiscal 2019. We reimburse our directors for all reasonable out-of-pocket travel expenses incurred in connection with attendance at meetings of the board of directors. As we transition from being a privately held company to a publicly traded company, we will evaluate our director compensation program for members of our board of directors and its committees. Our compensation program for our directors is expected to be designed to attract and retain committed and qualified directors that possess the range and depth of skills and experience required for our board of directors.

Few Shares At Risk of GFL

	Beneficially owned immediately following closing of this offering			
	Number of Multiple Voting Shares	Number of Subordinate Voting Shares	Percentage of Outstanding Shares	Percentage of Total Voting Rights
Directors and Named Executive Officers				
Dino Chiesa(13)	—	18,893	*	*
Shahir Guindi(14)	—	18,917	*	*
Arun Nayar(15)	—	24,417	*	*
Paolo Notarnicola(16)	—	—	*	*
Ven Poole(17)(18)	—	10,892,942	3.3%	2.5%
Raymond Svider(19)	—	—	*	*
Blake Sumler(20)	—	—	*	*
All directors and executive officers as a group (12 persons)	12,062,964	11,887,006	7.0%	30.2%

Source: GFL filings

Price Target And Summary: A Terminal Zero

Spruce Point
Capital Management

The Market Miscalculates GFL's Valuation And Leverage

Spruce Point Reality Check

The market does not have the correct share count or debt burden of GFL as evidenced by multiple data providers using different share counts and debt. **We also believe GFL's depiction of its Total Gross Debt understates its true leverage.** **See:** True Leverage

In total we believe GFL's enterprise value is off by $1.2 billion

Yahoo Finance

Balance Sheet		Share Statistics	
Total Cash (mrq)	723.9M	Avg Vol (3 month) [3]	82.62k
Total Cash Per Share (mrq)	2.22	Avg Vol (10 day) [3]	104.23k
Total Debt (mrq)	5.49B	Shares Outstanding [5]	314.35M

Source: Yahoo Finance

GFL Environmental Q2 Results (in Canadian $)

Net Leverage

The following table presents the calculation of Net Leverage for the periods indicated (all amounts are in millions of dollars unless otherwise stated):

	June 30, 2020	December 31, 2019
Total debt, gross	$ 5,217.0	$ 7,675.7
Less cash and cash equivalents	(723.9)	(574.8)
	4,493.1	7,100.9
Trailing twelve months Adjusted EBITDA	919.4	825.8
Acquisition EBITDA adjustments	116.9	98.9
Run rate EBITDA	$ 1,036.3	$ 924.7
Net Leverage	**4.34x**	**7.68x**

Source: Q2 2020 press release

Capital IQ

Current Capitalization (Millions of CAD) View Historical Capitalization

Currency	*CAD*
Share Price	[illegible]
Shares Out.	326.4
Market Capitalization	**9,451.8**
- Cash & Short Term Investments	723.9
+ Total Debt	5,485.1
+ Pref. Equity	-
+ Total Minority Interest	-
= Total Enterprise Value (TEV)	**14,213.0**
Book Value of Common Equity	5,826.8
+ Pref. Equity	-
+ Total Minority Interest	-
+ Total Debt	5,485.1
= Total Capital	**11,311.9**

**For companies that have multiple share classes that publicly trade, we are incorporating the different prices to calculate our company level market capitalization. Please click on the value to see the detailed calculation. Prices shown on this page are the close price of the company's primary stock class. Shares shown on this page are total company as-reported share values.

Bloomberg

Px/Chg 1D (CAD)	28.96/-.99%
52 Wk H (08/06/20)	30.78
52 Wk L (04/03/20)	16.84
YTD Change/%	N.A./N.A.
Mkt Cap (CAD)	9,451.8M
Shrs Out/Float	314.3M/73.3M

In Millions of CAD	Current/LTM
12 Months Ending	06/30/2020
Market Capitalization	9,451.8
- Cash & Equivalents	723.9
+ Preferred & Other	
+ Total Debt	5,278.3
Enterprise Value	14,006.2

Little Upside Seen In The Stock Even Among Bullish Analyst Base

Sell-side analysts are generally bullish on GFL, and take management's narrative at face value that GFL is a value-accretive roll-up with more room to expand through acquisitions. In addition, sell-side analysts believe GFL's story that margins will expand as it defines a path towards profitability. <u>Analysts give GFL full credit for the WM and WCA deals despite the DOJ regulatory approval risks the persist</u>. We believe, based on our rigorous investigation, that GFL's financial objectives are highly likely to fall short of expectations.

Broker	Rating	Price Target
Stifel	Buy	$29.85
Jefferies	Buy	$28.00
RBC	Outperform	$28.00
Scotia	Sector Outperform	$27.00
National Bank	Outperform	$25.37
BMO	Outperform	$25.00
Raymond James	Outperform	$25.00
JP Morgan	Overweight	$24.00
CIBC	Outperform	$23.88
TD Bank	Hold	$23.88
Goldman Sachs	Neutral	$21.00
Veritas	N.R.	$18.00
Average		**$24.92**
% Price Target Upside		**+17%**

Upside based on $21.23/share and C$1.34 rate for analysts with C$ targets

Bull Case Narrative Is All "Trust Me" Fluff

Spruce Point finds little independent evaluation of management's claims from the sell-side analysts, whom are compensated with lucrative fees for assisting GFL with financing and M&A advisory fees to implement its roll-up.

130 acquisitions: show me the math on the organic growth or are you just taking management's word for it?

GFL's growth has been driven by acquisitions with strong organic growth over the past two years. The company has completed nearly 130 acquisitions since 2007, including eight in Q1/20. GFL intends to continue increasing revenue through both acquisitions and organic opportunities. U.S. platform acquisitions that provide exposure to new geographic regions and Canadian acquisitions that are complementary tuck-ins are the primary focus of M&A, though we believe that all accretive opportunities will be considered. We believe that the company's market share, and fragmented nature of the competition in each of its key regions and services, provide GFL with opportunities for continuing revenue growth from acquisitions.

Source: TD Bank

- **M&A back as growth driver.** Following a 6-8 week pause to evaluate the pandemic, GFL is looking to re-engage with potential sellers and resume M&A activity. The greatest number of acquisition opportunities exist in Canada where 75% of the market is mom & pops, and most are small tuck-ins (C$1mn-C$10mn of annual EBITDA). GFL expects a significant share of its future M&A to be in Solid Waste.

Source: Goldman Sachs

Then why have recent deals been heavily in the U.S.? Based on our research, we believe GFL is reaching up against potential antitrust / competitive issues and market saturation in Canada.

Any specifics and why hasn't this been achieved over the past few years? What has GFL been doing all this time?

GFL Environmental Inc. *(Overweight; Price Target: $21.00)*

Investment Thesis

We rate GFL Overweight with a Dec-20 price target of US$21. We believe that GFL is relatively better insulated from COVID-19 volume declines due to a significant portion of its revenues coming from residential customers and fewer landfill assets which translates into less decremental margins. We continue to see a pathway for GFL to improve its margins and FCF every year over our forecast period, driven by still strong pricing, cost rationalization, and a larger solid waste footprint. We also see high growth potential in the company through M&A, as CEO and entrepreneur Patrick Dovigi has built the company through a series of acquisitions on top of organic growth. We believe that our M&A estimates, which assume small, tuck-in deals, are conservative given a still highly fragmented industry and management's acquisition track record.

Source: JP Morgan

Bottom Line: Demand is proving to be resilient in a very challenging environment. The company has a number of margin-improvement initiatives that should support earnings growth and improved FCF going forward. GFL has a long runway for M&A growth and it has substantial resources available to pursue them. Meanwhile, we believe there is a path for the valuation discount to WM/RSG to narrow over time as leverage moderates and its FCF profile emerges.

Perhaps valuation discount exists because GFL management are poor at operations?

Valuation

Our target price is based on our sum-of-the-parts analysis. To the extent GFL's free cash flow generation takes hold, leverage moderates, and the company continues to execute its M&A strategy, we believe there is room for the multiple to shift higher over time.

Impossible to evaluate the parts when few details about the acquisition parts are provided!

Source: BMO Capital Markets

Insights From Calls With Former GFL Employees: Will GFL Make Money?

Spruce Point	*"Do you have confidence GFL can make money?"*
Former GFL Employee 1	*"Under the current management structure and people, no. I would never put a dime in there. If you could see a mature management in the industry, absolutely, there's an opportunity….I have no confidence at this point and time."*
Spruce Point	*"Will GFL ever make money from a high level. They talk about opportunities to expand margins, and acquire. Based on your experience, will they achieve these objectives in the long-run?"*
Former GFL Employee 2	*"There are two parts, U.S. and Canada. Canada is quite saturated and prices are competitive. Chances of making big profits in solid waste, are not going to happen. GFL's main money maker is the infrastructure business. I am less familiar with the U.S. side of the business. It's tough to say if GFL will make money in the next year or two."*
Spruce Point	*"Does GFL have a path to profitability?"*
Former Employee 3	*"That's the wildcard in the GFL story, that's the gamble. Acquisitions play a key part to keep the momentum going. What happens when acquisitions stop? You need profitability. Can they turn around? Today they are not making money. That's a fact. I don't know if they can. They've acquired so rapidly."*

Even If You Believe GFL's Financials At Face Value, Its Shares Are Very Expensive

Spruce Point believes the market is overvaluing GFL, in part by not accurately modeling the impact of its TEUs which further increase its enterprise value. As a result, we believe on certain metrics like sales, EBITDA and operating cash flow, GFL is trading at a premium to industry blue chips Waste Management, Republic Services, and Waste Connections on future financial expectations.

$ in mm, except per share figures

Name (Ticker)	Stock Price 8/17/2020	Adj Ent. Value	2020E Gross Margin	'20E-'21E Sales Growth	'20E-'21E EPS Growth	P/E 2020E	P/E 2021E	Enterprise Value / EBITDA 2020E	Enterprise Value / EBITDA 2021E	Enterprise Value / Sales 2020E	Enterprise Value / Sales 2021E	Enterprise Value / OCF 2020E	Goodwill & Intang. % Mkt Cap	Net Debt '20 EBITDA	Dividend Yield
Waste Management	$110.87	$57,125	38.3%	7.6%	14.1%	28.9x	25.3x	13.6x	12.5x	3.8x	3.6x	16.0x	14.9%	2.4x	2.0%
Republic Services	$89.80	$37,345	41.5%	4.6%	12.0%	28.9x	25.8x	12.9x	12.3x	3.7x	3.5x	16.3x	41.1%	3.0x	1.9%
Waste Connections	$97.52	$29,847	40.0%	8.0%	18.0%	39.4x	33.4x	18.5x	16.6x	5.6x	5.2x	21.8x	25.9%	2.6x	0.8%
Stericycle	$63.67	$8,290	37.5%	1.2%	14.0%	30.1x	26.4x	17.9x	16.7x	3.1x	3.1x	20.1x	67.8%	5.3x	NA
Clean Harbors	$62.82	$4,784	30.3%	6.0%	30.9%	46.8x	35.8x	10.0x	9.3x	1.5x	1.4x	11.5x	26.4%	2.7x	NA
Advanced Disposal	$30.18	$4,536	34.1%	3.8%	65.4%	111.0x	67.1x	11.4x	10.8x	2.9x	2.8x	14.9x	52.2%	4.5x	NA
Covanta Holding	$9.74	$3,832	25.1%	2.4%	NM	NM	NM	9.5x	8.9x	2.0x	2.0x	15.3x	42.7%	6.3x	3.3%
Casella Waste	$56.00	$3,330	32.9%	7.5%	41.2%	86.2x	61.0x	20.6x	18.4x	4.3x	4.0x	20.2x	9.2%	3.8x	NA
US Ecology	$37.34	$2,062	31.2%	7.3%	111.4%	71.1x	33.6x	11.6x	10.1x	2.2x	2.1x	17.4x	88.4%	5.1x	NA
Tervita Corporation	$2.67	$955	37.3%	24.4%	NM	NM	NM	7.1x	6.5x	1.0x	0.8x	12.1x	93.7%	4.9x	NA
		Max	41.5%	24.4%	111.4%	111.0x	67.1x	20.6x	18.4x	5.6x	5.2x	21.8x	93.7%	6.3x	3.3%
		Average	34.8%	7.3%	38.4%	55.3x	38.6x	13.3x	12.2x	3.0x	2.8x	16.5x	46.2%	4.0x	2.0%
		Min	25.1%	1.2%	12.0%	28.9x	25.3x	7.1x	6.5x	1.0x	0.8x	11.5x	9.2%	2.4x	0.8%
GFL Environmental	**$21.23**	**$11,309**	**34.0%**	**21.7%**	**NM**	**NM**	**NM**	**13.8x**	**10.9x**	**3.6x**	**2.9x**	**24.6x**	**98.4%**	**5.7x**	**0.2%**
GFL (Spruce Point Adj)	**$21.23**	**$13,199**	**34.0%**	**21.7%**	**NM**	**NM**	**NM**	**16.1x**	**12.7x**	**4.2x**	**3.4x**	**31.5x**	**98.4%**	**5.2x**	**0.2%**

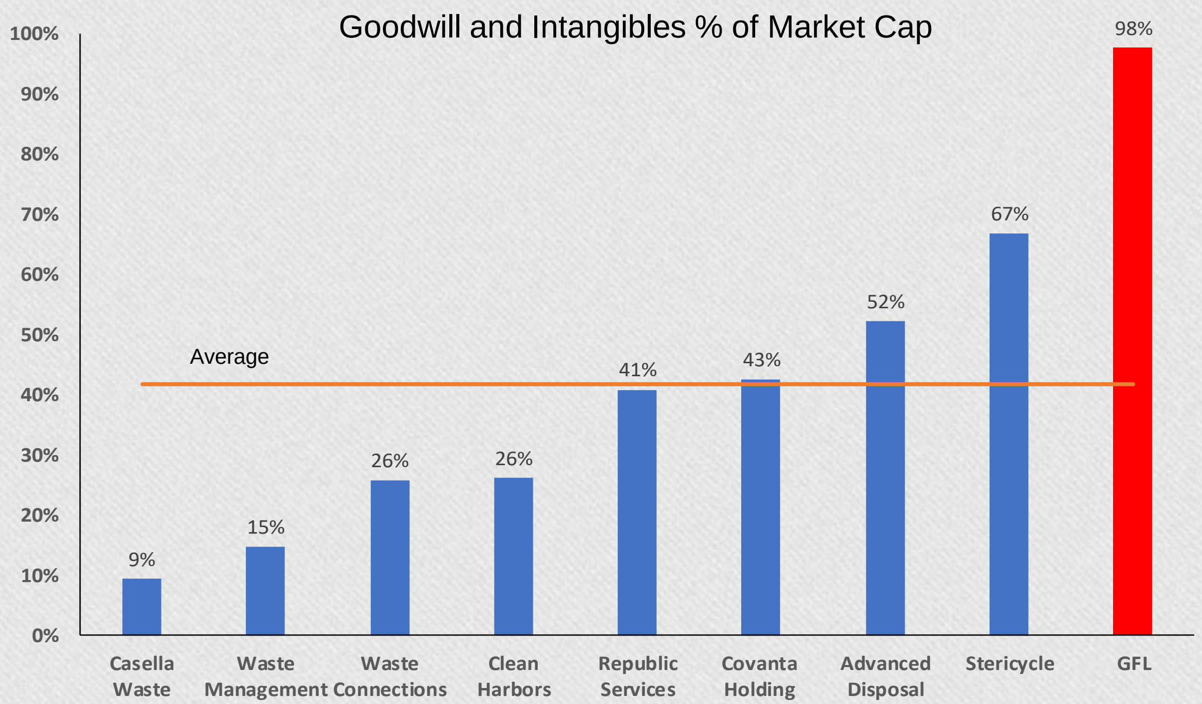
Source: Company financials, Bloomberg, and Spruce Point analysis and adjustment for the TEU impact

Investors Ascribe Industry High Value To GFL's Intangible Assets

While many GFL stock promoters will point to its revenues and EBITDA to argue it's undervalued to peers, none have pointed out the unexplained financial revisions to these figures that undermine confidence in its reporting, or point out the staggering amount of goodwill and intangibles assets on its balance sheet, accumulated from overpaying for assets in our view. We have provided numerous examples of deals that have had problems, suggesting that these intangible assets are at risk of impairment. GFL's has the highest market cap to intangible assets in the industry. If, as suggested by an industry observer, more than half of GFL's deals are failures, we believe its market cap could easily be halved.

Industry Observer Familiar With GFL In Canada

"If I were to take a conservative estimate, well over 50% of GFL's 100+ acquisitions I'd characterize as a failure."



Source: Company filings and market data.
Note: Our GFL market cap adjusted for tangible equity units

Spruce Point Capital Management

No Fluff Bear Case Opinion: GFL Is Uninvestable And At Risk of 100% Downside

We have shown evidence that suggests these four major concerns:

- ✓ CEO With Multiple Undisclosed Connections To Individuals With Controversial Business Dealings. One Internet Source Suggested Ties To *"Organized Crime".* Directors Not Independent of Large Owner
- ✓ True Economics of GFL's Acquisition Spree Unknown Due To Poor Disclosures. Significant Cash Burn And Reliance On Capital Raising Makes It Prone To Insolvency If Capital Raising Becomes More Difficult or Should Its Auditor Revoke Its Opinion
- ✓ Mysterious Revenue, EBITDA, Cash Flow And Landfill Capacity Revisions Suggest Material Financial Statement Weaknesses, And Supported By Conversations With Former Employees Describing GFL As "Aggressive" And Not Having The Proper Operational Systems In Place. Material Weakness Disclosed, Then Disappeared, Prior To IPO
- ✓ Debt Load Understated By Management And Inaccurate Valuation By Market Data Providers. Debt Is Higher And FCF Lower Than Depicted. "Run Rate" EBITDA Gives GFL Opportunity To Inflate Results. As A Result, True Leverage Is Much Higher Than It Appears

If It Looks Like A Zero, It Is A Zero

Appendix: Manufactured Demand For GFL And GFLU Securities Through Creative Financial Engineering

GFL "Tangible Equity Unit" Misclassified Causing Unjustified Buying

Blackrock's iShares ETF (NYSE: PFF) owns 1.1m shares ($65m) of GFL's Tangible Equity Units "TEU" / (NYSE: GFLU). Per PFF's prospectus it is designed to match the ICE Exchange Listed Preferred & Hybrid Securities Index (PHGY). The index specifies that it is to include "Preferred" securities and Hybrids that "potentially convert into preferred shares". However, in our opinion, there is nothing preferential about GFLU. <u>GFLU TEUs are convertible into subordinate voting shares, which are described clearly as subordinate to any preferred shares</u>. Furthermore, the GFLU security is ~83% linked to the sub voting equity and ~17% tied to a subordinated and unsecured note making the emphasis on the security more towards the non-preferential subordinate voting shares. As a result, we believe the ICE Index and PFF have created unjust buying of a misclassified security.

Blackrock PFF Tracks The ICE Exchange-Listed Preferred & Hybrid Securities Index

Portfolio Turnover. The Fund may pay transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in the Annual Fund Operating Expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 46% of the average value of its portfolio.

Principal Investment Strategies

The Fund seeks to track the investment results of the ICE Exchange-Listed Preferred & Hybrid Securities Index (the "Underlying Index"), which measures the performance of a select group of exchange-listed, U.S. dollar-denominated preferred securities, hybrid securities and convertible preferred securities listed on the New York Stock Exchange ("NYSE") or NASDAQ Capital Market ("NASDAQ"). The Underlying Index includes issuances of preferred stocks with amounts outstanding over $100 million, convertible preferred stock with at least $50 million face amount outstanding, and hybrid securities with at least $250 million face amount outstanding, that meet minimum price, liquidity, trading volume, maturity and other requirements, as applicable, as determined by ICE Data Indices (the "Index Provider" or "ICE Data").

In general, preferred stock is a class of equity security that pays a specified dividend that must be paid before any dividends can be paid to common stockholders and takes precedence over common stock in the event of a company's liquidation. In general, a "hybrid" security refers to a security which combines both debt and equity characteristics. In general, hybrid securities included in the Underlying Index, like traditional preferred stock, have preference over the common stock within an issuer's capital structure, and are issued and traded in a similar manner to traditional preferred stock. Like debt securities and preferred stock (but unlike common stock), issuers of hybrid securities included in the Underlying Index may make fixed, periodic payments to the holders of such securities. Like preferred stock, issuers of hybrid securities included in the Underlying Index have the ability to defer dividend payments and to extend such securities' maturity dates.

Although preferred stocks represent a partial ownership interest in a company, preferred stocks generally do not carry voting rights. Preferred stocks have economic characteristics similar to fixed-income securities. Preferred stocks and hybrid securities generally are issued with a fixed par value and pay dividends based on a percentage of that par value at a fixed or variable rate.

Additionally, preferred stocks and hybrid securities often have a liquidation value that generally equals the original purchase price of such security at the date of issuance. The Underlying Index may include many different categories of preferred stock and hybrid securities, such as floating and fixed rate preferreds, fixed-to-floating rate securities, callable preferreds, convertible preferreds, cumulative and non-cumulative preferreds, certain capital securities, trust preferreds or various other preferred stock and hybrid securities. The total allocation to an individual issuer across the entire Underlying Index is limited to 4.75%. The Underlying Index uses a market capitalization weighted methodology subject to certain constraints and is rebalanced monthly.

S-2

Source: Blackrock PFF Prospectus

ICE Says The Index Tracks Preferred Stocks or Hybrids Convertible Into Preferred Stock

ICE DATA SERVICES™

ICE BofAML Global Bond Index Rules

ICE Exchange-Listed Preferred & Hybrid Securities Index (PHGY)

ICE Exchange-Listed Preferred & Hybrid Securities Index tracks the performance of exchange-listed US dollar denominated hybrid debt, preferred stock and convertible preferred stock publicly issued by corporations in the US domestic market. With the exception of preferred securities, floating rate coupon or dividend securities are excluded, but zero, step and rating-dependent coupons are included. Qualifying securities must be exchange listed and have either the NASDAQ or NYSE as their primary exchange in order to be included in the index.

Corporate debt issued in $1,000 or greater par amounts must have a coupon deferral feature, at least $250 million face amount outstanding and at least 18 months to final maturity at the time of issuance to qualify. Fixed-to-floating rate securities are included provided they are callable within the fixed rate period and are at least one month from the last call prior to the date the bond transitions from a fixed to a floating rate security. Contingent capital securities ("cocos") are excluded, but capital securities where conversion can be mandated by a regulatory authority, but which have no specified trigger, are included. Other hybrid capital securities, such as those issues that potentially convert into preference shares, those with both cumulative and noncumulative coupon deferral provisions, and those with alternative coupon satisfaction mechanisms, are also included in the index. 144a securities (both with and without registration rights) and corporate pay-in-kind securities (including toggle notes) are included. Securities in legal default, securitized debt and eurodollar bonds (USD securities not issued in the US domestic market) are excluded.

Preferred stock and notes issued in $25, $50, or $100 par/liquidation preference increments, must have a minimum amount outstanding of $100 million. In addition, qualifying securities must have an investment grade rated country of risk (based on an average of Moody's, S&P and Fitch foreign currency long term sovereign debt ratings). Both fixed and adjustable rate preferred stock and notes are included in the index. Preference shares (perpetual preferred securities), American Depository Shares/Receipts (ADS/R), domestic and Yankee trust preferreds, are included. Auction market securities, purchase units, purchase contracts, securities issued by closed end funds and derivative instruments such as repackaged securities and credit default swaps are excluded.

Convertible preferred stock must have at least $50 million face amount outstanding. The underlying equity of qualifying securities must be publicly listed and actively trading. Convertible securities where the underlying is a basket of equities, and mandatory convertibles are included in the index. Securities in legal default, synthetic and reverse convertibles, pay-in-kind convertibles, and convertibles with suspended or inactive underlying equities are excluded from the index.

Index constituents are market capitalization-weighted subject to certain constraints:

i) First, the index is segmented into two components: an equity-like component comprised of securities ranking as preferred stock, and a debt-like component comprised of senior and subordinated interest-paying securities, including all trust preferreds. In order to be included in the index the equity component must have at least 13 component stocks. In order to be included in the index the debt component must have at least 13 non-affiliated issuers. If neither component meets this criteria then both are included.

ii) At least 90% of the index must be comprised of constituents with a market capitalization of at least $75 million.

iii) At least 70% of the capitalization of the index must be comprised of constituents that have had an average of 250,000 shares or $25 million traded value per month over the preceding six months, based on the average daily price over the period.

iv) Provided the equity component qualifies for inclusion, a single constituent is limited to 30% of the equity component, and the top five most heavily weighted constituents are limited to 65% of the equity component.

v) Provided the debt component qualifies for inclusion, a single constituent is limited to 30% of the debt component, and the top five most heavily weighted constituents are limited to 65% of the debt component.

vi) At least 75% of the debt component must be comprised of securities having a market capitalization of at least $100 million.

vii) At least 90% of the capitalization of the debt component must be comprised of issuers having at least $1bn in outstanding fixed income debt that currently qualifies for inclusion in the ICE BofAML Global Corporate Index or the ICE BofAML Global High Yield Index.

viii) The total allocation to an individual issuer across the entire index is limited to 4.75%.

Refer to important disclosures at the end of the document. 1

Source: ICE

GFL Says The Units Are Subordinate Voting Shares Ranking Junior To Any Preferred Shares….

The subordinate voting shares underlying the Units are equity interests and are subordinate to our existing and future indebtedness and preferred shares.

Our subordinate voting shares are equity interests and do not constitute indebtedness. As such, the subordinate voting shares will rank junior to all of our indebtedness and to other non-equity claims against us and our assets available to satisfy claims against us, including in a liquidation. Additionally, holders of our subordinate voting shares are subject to the prior dividend and liquidation rights of holders of our preferred shares, to the extent we issue preferred shares in the future and the preferred shares remain outstanding at that time. Our board of directors is authorized to issue classes or series of preferred shares without any action on the part of the holders of our subordinate voting shares and we are permitted to incur additional debt. Upon liquidation, lenders and holders of our debt securities and preferred shares would receive distributions of our available assets prior to holders of our subordinate voting shares.

Source: GFL Prospectus

The first index point stresses that the equity-like component rank as preferred stock. <u>GFL's equity component is not preferred</u>

GFL Subordinating Voting Shares Really "Income" Securities?

Spruce Point believes "creative" financial engineering by GFL around its subordinated common stock has broadened its shareholder base. Despite not making money, GFL pays a token US$ 0.01 cent quarterly dividend on its subordinate voting shares, giving the stock an annualized yield of just 0.18%. We find that two funds – one fund calling itself a "monthly high income fund" and another an "income fund" – own GFL. Spruce Point is baffled why a "monthly" income fund would own a stock that pays a quarterly dividend, and is hard pressed to see why a paltry 0.18% yield is attractive. When seeing GFL's US$ 0.01 cent dividend, Spruce Point is reminded of Maxar Technologies, another short call of ours that had an irrational dividend policy and slashed its dividend to $0.01 per share upon revealing its distress.

EPMONHIF CN Equity | Settings | Holder Ownership

Manulife Monthly High Income Fund | Latest Available

Type Fund: Open-End Fund Asset Class Mixed Allocation Cash Pos 25.71M CAD

Group By None | Show Asset Type All | Currency CAD | Total Curr Mkt Val 77.8M Num of Holdings 1

Security	Ticker	Source	Position	Pos Chg	% Out	% Net	Curr MV↓	Rpt MV	Filing D...
	GFL	All							All
1) GFL Environmental ...	GFL CN	MF-CAN	2,657,645	0	.85	.75	77.76MLN	67.74MLN	06/30/20

EVIBX US Equity | Settings | Holder Ownership

Eaton Vance Income Fund of Boston | Latest Available

Type Fund: Open-End Fund Asset Class Fixed Income Cash Pos 304.07M USD

Group By None | Show Asset Type All | Currency USD | Total Curr Mkt Val 52.5M Num of Holdings 5

Security	Ticker	Source	Position	Pos Chg	% Out	% Net	Curr MV↓	Rpt MV	Filing D...
	GFL	All							All
1) GFL Environmental ...	GFLCN 8 ½ ...	MF-USA	20,923	0	5.81	.43	23.32MLN	22.99MLN	05/29/20
2) GFL Environmental ...	GFLCN 4 ¼ ...	MF-USA	11,354	0	2.27	.22	11.81MLN	11.52MLN	05/29/20
3) GFL Environmental ...	GFL CN	MF-USA	300,300	0	.10	.11	6.53MLN	5.76MLN	05/29/20
4) GFL Environmental ...	GFLCN 7 06/...	MF-USA	6,000	0	1.48	.12	6.40MLN	6.34MLN	05/29/20
5) GFL Environmental ...	GFLCN 6 03/...	MF-USA	80,066	0	.52	.08	4.45MLN	4.02MLN	05/29/20

Source: Bloomberg