

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ROYNAT INC.

Applicant

-and-

1000602770 ONTARIO LTD.

Respondent

APPLICATION RECORD OF THE APPLICANT

Returnable July 25, 2024

July 12, 2024

HARRISON PENZA LLP

Barristers & Solicitors
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2

**Timothy C. Hogan (LSO #36553S)
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Lawyers for the Applicant,
Roynat Inc.

TO: SERVICE LIST

SERVICE LIST

TO: **1000602770 ONTARIO LTD.**
15 Tawse Place
Puslinch, ON N0B 2J0

Respondent

AND

TO: **TRISTAR CARRIERS LTD.**
15 Tawse Pl.
Puslinch, ON N0B 2J0

Email: charnjit@tristarcarriers.net; dave@tristarcarriers.net; dani@tristarcarriers.net; parminder@tristarcarriers.net

Guarantor

AND

TO: **CHARNJIT SINGH GREWAL**
6955 Wellington Road 34
Cambridge, ON N3C 2V4

Email: charnjit@tristarcarriers.net

AND

TO: **DALER SINGH**
6892 Gore Road
Puslinch, ON N0B 2J0

Email: dave@tristarcarriers.net

AND

TO: **PANVEER SINGH DANIA**
9 Darling Crescent
Guelph, ON N1L 1P9

Email: dani@tristarcarriers.net

AND

TO: **PARMINDER SINGH GREWAL**
13 Ochs Drive
Morrison, ON N0B 2C0

Email: parminder@tristarcarriers.net

AND

TO: **MSI SPERGEL INC.**
505 Consumers Road, Suite 200
Toronto, ON M2J 4V8

Attention: Mukul Manchanda
Tel: (416) 498-4314
Fax: (416) 498-4314
Email: mmanchanda@spergel.ca

Proposed Receiver

AND

TO: **CANADA REVENUE AGENCY**
c/o Department of Justice
Ontario Regional Office
120 Adelaide St. W., Suite 400
Toronto, ON M5H 1T1

Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

AND

TO: **HIS MAJESTY THE KING IN RIGHT
OF ONTARIO AS REPRESENTED BY
THE MINISTRY OF FINANCE**
Revenue Collections Branch – Insolvency Unit
33 King Street W., P.O. Box 627
Oshawa, ON L1H 8H5
Email: insolvency.unit@ontario.ca

AND

TO: **CITY OF GUELPH**
1 Carden Street
Guelph, ON N1H 3A1

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Tab 1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:



ROYNAT INC.

Applicant

-and-

1000602770 ONTARIO LTD.

Respondent

NOTICE OF APPLICATION

**APPLICATION UNDER SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT,
RSC 1985, C. B-3, AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE ACT,
R.S.O. 1990, C.C.43**

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing:

- In person
- By telephone conference
- By video conference

at the following location:

85 Frederick Street Kitchener, Ontario N2H 0A7

On Thursday, July 25, 2024, at a time to be provided by the court or as soon after that time as the application can be heard by judicial teleconference via Zoom at Kitchener, Ontario, with zoom details to be provided.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of

Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: July 12, 2024

Issued by

Ingrid M
Peters

Digitally signed by Ingrid M
Peters
DN: c=ca, st=on, o=Government
of Ontario, ou=People,
serialNumber=DSAP240166,
cn=Ingrid M Peters
Date: 2024.07.12 13:40:03 -0400

Registrar
Superior Court of Justice
85 Frederick Street
Kitchener, Ontario N2H 0A7

TO: Service List Attached

SERVICE LIST

TO: **1000602770 ONTARIO LTD.**
15 Tawse Place
Puslinch, ON N0B 2J0

Respondent

AND

TO: **TRISTAR CARRIERS LTD.**
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Email: parminder@tristarcarriers.net

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Attention: Mukul Manchanda
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Proposed Receiver

AND

TO: **CANADA REVENUE AGENCY**
c/o Department of Justice
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120 Adelaide St. W., Suite 400
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Email: insolvency.unit@ontario.ca

AND

TO: **CITY OF GUELPH**
1 Carden Street
Guelph, ON N1H 3A1

THE APPLICATION IS FOR:

The Applicant, Roynat Inc. (“**Roynat**”), seeks the following relief:

1. An order (the “**Appointment Order**”) substantially in the form attached hereto as Schedule “A”, *inter alia*, appointing msi Spergel inc., as Receiver (“**Spergel**”, or the “**Receiver**”), without security, of all of the assets, undertakings and properties of the Respondent, 1000602770 Ontario Ltd. (“the “**Debtor**”). acquired for, or used in relation to a business or businesses carried on by the Debtor, and of the Real Property, as defined herein and as described at Schedule “A” to the Appointment Order and owned by the Debtor;
2. That the time for service, filing and confirming of the Notice of Application and the Application Record be abridged and validated so that this application is properly returnable today and dispensing with further service thereof; and,
3. Such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE APPLICATION ARE:

The Debtor

1. The Debtor is a corporation incorporated pursuant to the laws of the Province of Ontario and acts as a holding company for the vacant real property municipally known as 225 Southgate Drive, Guelph, Ontario (the “**Real Property**”), which is legally described as:
 - a. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT); and,

- b. LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT).
2. Panveer Singh Dania, Charnjit Singh Grewal, Parminder Singh Grewal, and Daler Singh are the directors of the Debtor.
3. Tristar Carriers Ltd. ("**Tristar**") is a corporation incorporated pursuant to the laws of the Province of Ontario operating as a trucking and transport company, and at all material times was a guarantor of the Obligations (as defined below) of the Debtor to Roynat.
4. The Debtor is in default of the terms of the Financing (as defined below), as follows:
 - a. Arrears of principal totaling \$29,250.00 and arrears of interest totaling \$153,638.80 owing under the Financing, as at July 3, 2024 (the "**Financing Arrears**");
 - b. Failure by Tristar to provide financial reporting to Roynat when due under the terms of the Letter Agreement (as defined below);
 - c. Tristar is in default to its senior direct lender, Bank of Montreal ("**BMO**"), and Roynat is aware that Tristar is in a form of forbearance with BMO; and,
 - d. Overdue property taxes owing in relation to the Real Property totaling \$11,941.70 as at June 27, 2024, including \$139.34 in outstanding taxes for tax year 2023, and \$426.06 in penalties (the "**Property Tax Arrears**").

(collectively, the "**Defaults**")

The Financing and Roynat's Security

5. As of July 3, 2024, the Debtor was directly indebted to Roynat in the amount of \$6,776,182.02, plus accruing interest and Roynat's continuing costs of enforcement (the "**Obligations**"), in respect of the following financing advanced to the Debtor pursuant to the terms of an Offer of Finance dated August 14, 2023, and the subsequent amendments thereto dated September 7, 2023 and September 8, 2023, and Notification of Changes to Offer of Finance dated May 6, 2024 (the "**Letter Agreement**"):
 - a. Loan Facility A: Term Loan Facility: in the amount of \$7,000,000.00 (the "**Financing**").
6. A default by either of the Debtor or Tristar to any other lender constitutes a Default under the Letter Agreement.
7. Roynat holds, *inter alia*, the following security as security for the Financing:
 - a. Debenture from the Debtor dated September 5, 2023 in the sum of \$7,000,000.00 (the "**Debenture**");
 - b. Charge/Mortgage of Land from the Debtor in the principal sum of \$7,000,000.00 and receipted as instrument number WC712167 on September 11, 2023 over the Real Property (the "**Mortgage**"), as governed by the terms of the Debenture;
 - c. General Assignment of Rents and Leases from the Debtor dated September 5, 2023, receipted on title to the Real Property on September 11, 2023 as instrument no. WC712170;
 - d. Guarantee and Indemnity from the Tristar dated September 5, 2023, and limited to the sum of \$7,000,000.00;
 - e. General Security Agreement from Tristar dated September 5, 2023.

(collectively, the “**Security**”)

Roynat’s Security Interest in the Personal Property of the Debtor

8. Roynat has registered a Financing Statement against the Debtor pursuant to the provisions of the *Personal Property Security Act* (Ontario) (the “**PPSA**”) to perfect its security interest in the property of the Debtor secured under the Debenture.
9. The Personal Property Security Registration System Search Results for the Debtor confirm that Roynat has a perfected security interest in the personal property of the Debtor. All other creditors having a security interest in the personal property of the Debtor have been served with the within application.

The Real Property and Roynat’s Security Interest therein

10. Roynat’s interest in the Real Property is secured by the Mortgage, as governed by the Debenture. Pursuant to the terms of the Debenture, the Mortgage secures the Obligations owing the Debtor to Roynat.
11. Roynat holds the only charge registered as against the Real Property.

Default, Demand, and the Day-to-Day Forbearance

12. As a result of the continuing Defaults, Roynat did issue a demand for payment and a Notice of Intention to Enforce Security pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) to the Debtor, all dated May 15, 2024 (collectively, the “**Demand**”). The time period under the Demand has expired.
13. Subsequent to the issuance of the Demand, the Debtor advised Roynat that it was in the process of negotiating a sale of the Real Property for a sale price sufficient to repay the Obligations in full (the “**Real Property Sale**”), and provided Roynat with a conditional

Agreement of Purchase and Sale dated May 9, 2024, for the Real Property Sale, with a closing date of September 3, 2024 (the “**APS**”).

14. The Debtor also advised Roynat that it was seeking a refinancing, concurrent with its efforts to complete a Real Property Sale (a “**Refinancing**”).
15. With the signed conditional APS in place, Roynat allowed the Debtor a period of day-to-day forbearance, without waiving any rights in relation to the Financing, the Security, or the Obligations.
16. On or about June 6, 2024, the Debtor advised Roynat that the Real Property Sale had been terminated, and that the Debtor was seeking alternative methods to repay the Obligations.
17. In the absence of further communication from the Debtor regarding a plan to repay the Obligations, on June 20, 2024, Roynat’s counsel advised the Debtor by email that Roynat was terminating its provision of day-to-day forbearance and would proceed to enforce its security by way of the herein application.
18. The Debtor has failed to repay the Obligations and has not provided Roynat with any evidence of an imminent Refinancing or sale of the Real Property, or of any other plan to repay the Obligations.
19. Roynat has terminated the period of day-to-day forbearance provided, and is not willing to provide further forbearance to the Debtor in the current circumstances.

The Appointment of a Receiver

20. The Obligations due pursuant to the Demand have not been paid. The ten (10) day period under section 244 of the BIA has expired. Roynat is in a position to appoint a receiver over the assets and property of the Debtor pursuant to section 243 of the BIA.

The Property

21. The Debenture grants Roynat the power to appoint a Receiver over the Real Property as a result of the Defaults.

Personal Property

22. The Debenture grants Roynat the right to appoint a Receiver over the personal property of the Debtor secured thereunder as a result of the Defaults.

Roynat's Position

23. The Debtor is insolvent and the Financing Arrears continue to accrue. The Demand has expired and Roynat is in a position to seek the order appointing the Receiver.
24. It is Roynat's position that the appointment of the Receiver is just and equitable and is necessary for the protection of the estates of the Debtor, and the interests of Roynat, as secured creditor, and other stakeholders.
25. No further credit is available to the Debtor, and Roynat is no longer willing to offer any terms of forbearance to the Debtor in light of the failure of the Real Property Sale, and in the absence of either an imminent Refinancing or another source of funds in a sum sufficient to repay the Obligations in full.
26. The Debtor has failed to communicate any plan acceptable to Roynat which would see the Obligations repaid in a timely manner, or at all.

27. There are Property Tax Arrears owing in relation to the Real Property, which may affect the value of Roynat's Security if allowed to continue accruing.
28. The Debtor has not provided evidence to Roynat regarding the status of its remittances and filings with CRA, and may be indebted to CRA as well, including for amounts constituting deemed trusts in priority to Roynat's Security.
29. A Receiver is necessary to:
 - a. To complete an orderly sale of the Real Property and to remit the proceeds of any such sale to the creditors of the Debtor, including Roynat;
 - b. To ensure the Real Property is exposed to the market through a fair, through and fulsome sales process, subject to Court approval; and,
 - c. To address the Property Tax Arrears.
30. Roynat proposes that Spergel be appointed as Receiver, without security, of the assets, undertakings and properties of the Debtor, and of the Real Property.
31. Spergel has consented to act as Receiver should this Honourable Court so appoint it.
32. Section 243 of the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3, as amended.
33. Section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended.
34. Rule 3, 14, 38 and any other applicable Rule of the *Rules of Civil Procedure*.
35. Such further and other grounds as counsel may advise.

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

1. The Notice of Application and all Schedules thereto;
2. The Affidavit of Cian McDonnell sworn July 9, 2024, and all Exhibits thereto;
3. The Consent of the Receiver; and,
4. Such further and other material as counsel may advise and this Honourable Court may permit.

July 12, 2024

HARRISON PENZA LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101,
London, Ontario N6A 5R2

Timothy C. Hogan (LSO #36553S)

Robert Danter (LSO #69806O)

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Email: thogan@harrisonpensa.com
rdanter@harrisonpensa.com

Lawyers for the Applicant,
Roynat Inc.

Schedule "A-1" – Appointment Order (Clean)

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 25TH

JUSTICE

)

DAY OF JULY, 2024

)

ROYNAT INC.

Applicant

- and -

1000602770 ONTARIO LTD.

Respondent

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 24 for or the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property owned by the Debtor and described at Schedule "A" hereto (the "Real Property"), was heard this day by judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.

ON READING the affidavit of Cian McDonnell sworn July 9, 2024 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof, and including the Real Property (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$_____, provided that the aggregate consideration for all such transactions does not exceed \$_____; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing,

the ability to enter into occupation agreements for any property owned or leased by the Debtor;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege

attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers,

facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and

limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$_____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in

favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<.>'.
<.>

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the

records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Justice, Ontario Superior Court of Justice

SCHEDULE "A"

REAL PROPERTY

MUNICIPALLY KNOWN AS: 225 Southgate Drive, Guelph, Ontario.

LEGAL DESCRIPTION:

- i. LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,
- ii. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162LT).

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including the Real Property as defined in the Order (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __--_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal or corporate capacity

Per: _____

Name:

Title:

ROYNAT INC.

v.

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

HARRISON PENZA LLP
Barristers & Solicitors
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Timothy C. Hogan (LSO #36553S)
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Fax: (519) 667-3362

Lawyers for the Applicant,
Roynat Inc.

Schedule "A-2" – Appointment Order (Blacklined)

~~Schedule "A" hereto (the "Real Property"), was heard this day at 491 Steeles Avenue, East, Milton, ON by judicial videoconference via Zoom at the Courthouse 85 Frederick Street, Kitchener, ON N2H 0H7.~~

ON READING the affidavit of Cian McDonnell sworn ~~[-]~~July 9, 2024 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of ~~[RECEIVER'S NAME]~~msi Spergel inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion-Application~~ and the ~~Motion-Application~~~~gion~~ is hereby abridged and validated³ so that this ~~motion-Application~~ is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~msi Spergel inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof, and including the Real Property (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

~~³If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$_____, provided that the aggregate consideration for all such transactions does not exceed \$_____; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, for section 31 of the Ontario *Mortgages Act*, as the

~~⁴This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

case may be, ~~it~~⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply.~~

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects

identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as

security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of ~~the Commercial List of~~ the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$_____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in

~~⁶Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "BA" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<.>'.
<.>

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the

records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the ~~Plaintiff-Applicant~~ shall have its costs of this ~~motion~~Application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff's-Applicant's~~ security or, if not so provided by the ~~Plaintiff's-Applicant's~~ security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Justice, Ontario Superior Court of Justice

SCHEDULE "A"
REAL PROPERTY

MUNICIPALLY KNOWN AS: 225 Southgate Drive, Guelph, Ontario.

LEGAL DESCRIPTION:

- i. LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT); and,
- ii. ii.—LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162LT).

SCHEDULE "BA"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$_____

1. THIS IS TO CERTIFY that ~~{RECEIVER'S NAME}~~ msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~{DEBTOR'S NAME}~~ of 1000602770 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including the Real Property as defined in the Order (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __--_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the

Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

~~{RECEIVER'S NAME}~~ msi Spergel inc., solely
in its capacity
as Receiver of the Property, and not in its
personal or corporate capacity

Per: _____

Name:

Title:

ROYNAT INC.

v.

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

ORDER

HARRISON PENZA LLP
Barristers & Solicitors
130 Dufferin Avenue, Suite 1101,
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Timothy C. Hogan (LSO #36553S)
Robert Danter (LSO #69806O)

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Lawyers for the Applicant,
Roynat Inc.

ROYNAT INC.

v.

1000602770 ONTARIO LTD.

Applicant

Respondent

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ONTARIO
SUPERIOR COURT OF JUSTICE
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NOTICE OF APPLICATION

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rdanter@harrisonpensa.com

Lawyers for the Applicant,
Roynat Inc.

Tab 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ROYNAT INC.

Applicant

-and-

1000602770 ONTARIO LTD.

Respondent

**AFFIDAVIT OF CIAN MCDONNELL
(sworn July 9, 2024)**

I, **Cian McDonnell**, of the City of Toronto, in the Province of Ontario, **MAKE OATH**

AND SAY:

1. I am a Senior Manager, Investment Enhancement Group, with the Applicant, Roynat Inc. ("**Roynat**") and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary these matters are within my own knowledge and are true. Where I have indicated that I have obtained facts from other sources, I have identified the source and I believe those facts to be true.

The Debtor

2. The Respondent, 1000602770 Ontario Ltd. (the "**Debtor**") is a corporation incorporated pursuant to the laws of the Province of Ontario. Attached hereto and marked as **Exhibit "A"** is a true copy of the corporate profile search results for the Debtor.

3. Panveer Singh Dania, Charnjit Singh Grewal, Parminder Singh Grewal, and Daler Singh are the directors of the Debtor.
4. The Debtor is a real estate holding company and is the owner of vacant real property municipally known as 225 Southgate Drive, Guelph, Ontario (the “**Real Property**”), which is legally described as:

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT); and,

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT)

Attached hereto and marked as **Exhibit “B”** are true copies of the parcel abstracts for the parcels comprising the Real Property.

5. The Real Property comprises a vacant lot located on the outskirts of the City of Guelph, Ontario. There are no buildings located on the Real Property.
6. Tristar Carriers Ltd. (“**Tristar**”) is a corporation incorporated pursuant to the laws of the Province of Ontario operating as a trucking and transport company, and at all material times was a guarantor of the Obligations (as defined below) of the Debtor to Roynat.
7. The Debtor defaulted under the Financing as follows (all capitalized terms not otherwise defined are as defined below):
 - a. Arrears of principal totalling \$29,250.00 and arrears of interest totalling \$153,638.80 owing under the Financing, as at July 3, 2024 (the “**Financing Arrears**”);

- b. Failure by Tristar to provide financial reporting to Roynat when due under the terms of the Letter Agreement (as defined below);
- c. Tristar is in default to its senior direct lender, Bank of Montreal (“**BMO**”), and Roynat is aware that Tristar is in a form of forbearance with BMO; and,
- d. Overdue property taxes owing in relation to the Real Property totaling \$11,941.70 as at June 27, 2024, including \$139.34 in outstanding taxes for tax year 2023, and \$426.06 in penalties (the “**Property Tax Arrears**”). Attached hereto and marked as **Exhibit “C”** is a true copy of the Tax Certificate for the Real Property current to June 27, 2024.

(collectively, the “**Defaults**”)

- 8. To the best of Roynat’s knowledge, the Debtor has no employees.

The Financing

- 9. As of July 3, 2024, the Debtor was directly indebted to Roynat in the amount of \$6,776,182.02, plus accruing interest and Roynat’s continuing costs of enforcement (the “**Obligations**”), in respect of the following financing advanced to the Debtor pursuant to the terms of an Offer of Finance dated August 14, 2023, and the subsequent amendments thereto dated September 7, 2023 and September 8, 2023, and Notification of Changes to Offer of Finance dated May 6, 2024 (the “**Letter Agreement**”):
 - a. Loan Facility A: Term Loan Facility: in the amount of \$7,000,000.00 (the “**Financing**”).

Attached hereto and marked as **Exhibit “D”** are true copies of the documents

comprising the Letter Agreement.

10. Covenants under the Letter Agreement include a covenant that a default by the Debtor or Tristar to any other lender shall constitute a Default under the Letter Agreement.
11. Events of Default under the Letter Agreement also include a Material Adverse Change in the activities, assets, liabilities, financial situation, or operating results of any Obligor (as defined in the Letter Agreement, and which term includes Tristar as guarantor), which would in Roynat's opinion have an adverse effect on that Obligor's ability to fulfil its obligations under the Letter Agreement.
12. Roynat holds the following security over the Real Property of the Debtor, as security for the Financing:
 - a. Debenture from the Debtor dated September 5, 2023 in the sum of \$7,000,000.00 (the "**Debenture**") Attached hereto and marked as **Exhibit "E"** is a true copy of the Debenture.
 - b. Charge/Mortgage of Land from the Debtor in the principal sum of \$7,000,000.00 and receipted as instrument number WC712167 on September 11, 2023 over the Real Property (the "**Mortgage**"), as governed by the terms of the Debenture. Attached hereto and marked as **Exhibit "F"** is a true copy of the Mortgage;
 - c. General Assignment of Rents and Leases from the Debtor dated September 5, 2023, receipted on title to the Real Property on September 11, 2023 as instrument no. WC712170 (the "**Assignment of Rents**"). Attached hereto and marked as **Exhibit "G"** is a true copy of the Assignment of Rents;

- d. Guarantee and Indemnity from the Tristar dated September 5, 2023, and limited to the sum of \$7,000,000.00 (the “**Tristar Guarantee**”). Attached hereto and marked as **Exhibit “H”** is a true copy of the Tristar Guarantee;
- e. General Security Agreement from Tristar dated September 5, 2023 (the “**Tristar GSA**”). Attached hereto and marked as **Exhibit “I”** is a true copy of the Tristar GSA.

(collectively, the “**Security**”)

Roynat’s Security Interest in the Personal Property of the Debtor

- 13. The Debenture secures the following personal property of the Debtor:

*1. **Promise to Pay.** The Debtor acknowledges itself indebted and promises to pay on demand to or to the order of Roynat, at its address specified above, all amounts now or in the future owing by the Debtor to Roynat under or in connection with the Obligations (as defined below) up to the maximum principal amount of Seven Million Dollars (\$7,000,000.00) in lawful money of Canada and interest thereon at the rate of 25% per annum, calculated and accruing daily and payable monthly, not in advance, on the last day of each month, both before and after demand, default, judgment and execution, from the date hereof until payment of all amounts owing hereunder, with interest on overdue interest at the same rate.*

*2. **Definitions.** In this Debenture:*

- (a) *“**Applicable Province**” means the Province of Ontario.*
- (b) *“**Additional Property**” means, collectively, all of the undertaking, property and assets of the Debtor, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now has, or may hereafter have, any right, title or interest including, without limitation:*
 - (i) *Intangibles – all intangible property of the Debtor including, without limitation, book debts and accounts, claims, choses in action, contractual rights, insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property;*
 - (ii) *Books and Records – all of the Debtor’s manuals, publications, letters, deeds, documents, writings, notes, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or*

made payable;

- (iii) Equipment – all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property (excluding Inventory), and all plans, diagrams, drawings, specifications and manuals relating thereto, and including, without limitation, the equipment described in Schedule "C" hereto, if any;
- (iv) Inventory – all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "Inventory");
- (v) Investment Property – all of the Debtor's investment property including, without limitation, shares, stocks, warrants, bonds, debentures and debenture stock, securities (whether certificated or uncertificated), financial assets, security entitlements, securities accounts, futures contracts and futures accounts (collectively, "Investment Property");
- (vi) Other Property – all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the PPSA governing this Debenture); and
- (vii) Proceeds – all of the Debtor's property in any form derived directly or indirectly from any use or dealing with any property or assets of the Debtor or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage to such property or assets or the proceeds therefrom, any payment made in total or partial discharge or redemption of an intangible, chattel paper, an instrument or Investment Property, and rights arising out of, or property collected on, or distributed on account of, Investment Property (collectively, the "Proceeds");

but excluding (1) any consumer goods, and (2) the last day of the term of any lease, verbal or written, or any agreement therefor, now held or hereafter held by the Debtor, but the Debtor shall stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

- (c) "**Business Day**" means any day other than a Saturday, a Sunday or any day on which commercial banks are required to be closed for business in the Applicable Province.
- (d) "**Lien**" means a security interest, mortgage, charge, lien, hypothec, assignment by way of security, claim, encumbrance, or federal or provincial government priority claim arising pursuant to statute including any deemed trust.
- (e) "**Obligations**" means, collectively, all present and future indebtedness, liabilities and obligations of the Debtor to Roynat,

whether direct or indirect, absolute or contingent, matured or not, liquidated or unliquidated, of whatsoever nature or kind, and wheresoever and however incurred, and whether incurred as principal or as surety, and whether incurred alone or with others, in any currency or otherwise, and any ultimate unpaid balance thereof, and whether such indebtedness, liabilities and obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether they are incurred by the Debtor under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor, including, without limitation, indebtedness, liabilities and obligations of the Debtor to Roynat under (i) any and all letter agreements and offers of finance or offers to lease entered into by the Debtor and Roynat from time to time (as amended, restated, modified, substituted or replaced from time to time, each, an "Offer of Finance"), (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Debenture and any other security delivered to Roynat by the Debtor from time to time (the agreements and documents referred to in (i), (ii) and (iii) being collectively referred to as the "Financing Documents").

- (f) *"PPSA" means the Personal Property Security Act and the regulations thereunder, in effect from time to time in the Applicable Province.*

3. Security. *As security for the payment and performance of all Obligations, the Debtor:*

- (a) *mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all freehold real and immovable property described in Schedule "A" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;*
- (b) *mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all leasehold real and immovable property described in Schedule "B" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;*
- (c) *mortgages and charges, as and by way of a floating charge and grants a security interest to and in favour of Roynat in, all of its present and future interests in real property not referred to in Sections 3(a) and 3(b) above; and*
- (d) *mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all of its present and after-acquired personal property including, without limitation, all Additional Property, not subject to the charges and security interests in Sections 3(a), 3(b) and 3(c) above.*

The security interest created by Section 3(c) above is intended as a floating charge that will

attach as provided in Section 4 below. The floating charge shall become a fixed charge upon the earlier of (i) Roynat notifying the Debtor to that effect and (ii) an Event of Default occurring and continuing. And for the same consideration and purposes and subject to the same exceptions, the Debtor hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Debtor and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

All of the assets, property and undertaking of the Debtor subject to the charges and security interests in this Section 3 are collectively referred to herein as the "Collateral".

14. The *Personal Property Security Act* ("**PPSA**") Registration System Search Results for the Debtor confirms that Roynat holds a perfected security interest in the personal property of the Debtor as secured by the Debenture. Attached hereto to this my affidavit and marked as **Exhibit "J"** is a true copy of the PPSA Registration System Search Results for the Debtor, current to July 5, 2024.
15. Roynat is the only creditor with a registration as against the Debtor under the PPSA.

Tristar

16. Roynat also holds a perfected security interest in all personal property of Tristar pursuant to the Tristar GSA.
17. The *Personal Property Security Act* ("**PPSA**") Registration System Search Results for Tristar confirm that Roynat holds a perfected security interest in the personal property of Tristar as secured by the Tristar GSA. Attached hereto to this my affidavit and marked as **Exhibit "K"** is a true copy of the PPSA Registration System Search Results for Tristar, current to July 5, 2024.
18. There are numerous creditors of Tristar with registrations under the PPSA, including a number of creditors claiming specific secured interests in motor

vehicles.

19. Roynat is a party to a priority agreement with Canadian Western Bank with respect to security interests in the personal property of Tristar. Pursuant to this agreement, Roynat has postponed its security interest in certain personal property of Tristar to Canadian Western Bank.
20. BMO also holds a prior-in-time general security registration as against Tristar under the PPSA.
21. BMO and Canadian Western Bank do not have a security interest in the property of the Debtor, including the Real Property.
22. Roynat is not seeking the appointment of a Receiver over the property of Tristar and as such has not served these creditors with the herein application.

The Real Property

23. Roynat's interest in the Real Property is secured by the Mortgage, as governed by the Debenture, and the Mortgage is a first charge upon the Real Property.
24. The terms of the Debenture which govern Roynat's interest in the Real Property are set out at paragraph 13, above.
25. Pursuant to the terms of the Debenture, the Mortgage secures payment of the Obligations.
26. Roynat holds the only charge registered as against the Real Property.

Defaults and Demand

27. The Debtor has defaulted under the Financing, as set out above, which Defaults continue.
28. The Financing Arrears continue to accrue.
29. As a result of these continuing Defaults, Roynat did deliver to each of the Debtor and Tristar, as guarantor, a demand for payment and a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*, all dated May 15, 2023 (collectively, the “**Demands**”). All statutory notice periods in relation to the Demands have expired. Attached hereto and marked collectively as **Exhibit “L”** are true copies of the Demands and corresponding registered mail receipts.

Communications and Day-to-Day Forbearance

30. The Borrower did advise Roynat that the Debtor was in the process of negotiating a sale of the Real Property for a sale price sufficient to repay the Obligations in full (the “**Real Property Sale**”), and provided Roynat with an Agreement of Purchase and Sale dated May 9, 2024, for the Real Property Sale, with a closing date of September 3, 2024 (the “**APS**”). Attached hereto and marked as **Exhibit “M”** is a true copy of the email from Panveer Dani dated May 14, 2024 and providing the APS to Roynat, with certain terms of the APS redacted.
31. The APS contained several conditions, including a due diligence period of ninety (90) days in favour of the purchaser.
32. The Debtor also advised Roynat that it was seeking a refinancing, concurrent with its efforts to complete a Real Property Sale (a “**Refinancing**”).

33. With the signed conditional APS in place, and while negotiations for potential terms of formal forbearance continued, Roynat allowed the Debtor a period of day-to-day forbearance, without waiving any rights in relation to the Financing, the Security, or the Obligations.
34. On or about June 6, 2024, the Debtor advised Roynat that the Real Property Sale had been terminated, and that the Debtor was seeking alternative methods to repay the Obligations, including a potential new investor in the Debtor's business.
35. In the absence of further communication from the Debtor regarding a plan to repay the Obligations, on June 20, 2024, Roynat's counsel advised the Debtor by email that Roynat was terminating its provision of day-to-day forbearance and would proceed to enforce its security by way of the herein application. Attached hereto and marked as **Exhibit "N"** is a true copy of the email from Roynat's counsel dated June 20, 2024.
36. On June 27, 2024, counsel for the Debtor advised Roynat counsel that the Debtor continued to seek refinancing.
37. The Debtor has failed to repay the Obligations and has not provided Roynat with any evidence of an imminent Refinancing or sale of the Real Property, or of any other plan to repay the Obligations.
38. Roynat has terminated the period of day-to-day forbearance provided, and is not willing to provide further forbearance to the Debtor in the current circumstances.

The Appointment of a Receiver

39. The Obligations due pursuant to the Demand have not been paid. The period under section 244 of the *BIA* has expired. Roynat is in a position to appoint a receiver over the property of the Debtor as secured pursuant to the Security, pursuant to section 243 of the *BIA*.

The Debtor

40. Paragraphs 9 and 10 of the Debenture grant Roynat the power to appoint a Receiver over all personal property of the Debtor secured thereunder, and over the Real Property as a result of the Debtor's Defaults under the Financing, and state, in part (emphasis added):

9. Enforcement. *Without prejudice to any other right which Roynat may now or hereafter have to demand payment of any of the Obligations, the Obligations shall, at the option of Roynat, become payable and the security granted herein shall become enforceable upon the occurrence of any Event of Default that is continuing, and Roynat may proceed to exercise any rights, powers or remedies available to Roynat at law or in equity or under the PPSA or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:*

...

- (f) *appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;*
- (g) *apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;*

10. Powers of Receiver.

- (a) *Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Debenture and, in addition, shall have the following powers:*
 - (i) *to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;*
 - (ii) *to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and*
 - (iii) *to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Debenture;*
- (b) *Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:*
 - (i) *carrying on and managing the business and affairs of the Debtor, and*
 - (ii) *establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions, provided that, without restricting the generality of the*

foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

41. The Debtor is in Default of the Financing and the time period under the Demands has expired, and the loan advanced thereunder is due and payable in full. Roynat is entitled to seek the appointment of a Receiver over all property of the Debtor, including the Real Property as a result thereof, and the terms of the Debenture provides Roynat with the power to appoint a Receiver over the personal property of the Debtor, and of the Real Property.

Roynat's Position

42. The Debtor is in Default of the Financing, which Defaults continue. The Financing Arrears are significant and continue to accrue.
43. The Debtor is insolvent. The Demands have expired, and Roynat is in a position to seek the order appointing the Receiver, pursuant to the provisions of the Debenture.
44. No further credit is available to the Debtor, and Roynat is no longer willing to offer any terms of forbearance to the Debtor in light of the failure of the Real Property Sale, and in the absence of either an imminent Refinancing or another source of funds in a sum sufficient to repay the Obligations in full.
45. The Debtor has failed to communicate any plan acceptable to Roynat which would see the Obligations repaid in a timely manner, or at all.
46. There are Property Tax Arrears owing in relation to the Real Property, which may affect the value of Roynat's Security if allowed to continue growing.

47. The Debtor has not provided evidence to Roynat regarding the status of its remittances and filings with CRA, and may be indebted to CRA as well, including for amounts constituting deemed trusts in priority to Roynat's Security.
48. A Receiver is necessary to:
- a. To complete an orderly sale of the Real Property and to remit the proceeds of any such sale to the creditors of the Debtor, including Roynat;
 - b. To ensure the Real Property is exposed to the market through a fair, through and fulsome sales process, subject to Court approval; and,
 - c. To address the Property Tax Arrears.
49. It is Roynat's position that the appointment of the Receiver is just and equitable and is necessary for the protection of the estate of the Debtor, and the interests of Roynat, as secured creditor, and other stakeholders.
50. Roynat proposes that msi Spergel inc. ("**Spergel**") be appointed as Receiver, without security, over all property of the Debtor as secured by the Debenture, including Real Property.
51. Spergel has consented to act as Receiver should this Honourable Court so appoint it.

52. This affidavit is made in support of the within application for the appointment of Spergel as Receiver, without security, over all of the assets, undertakings, and properties of the Debtor, including the Real Property, and for no other improper purpose.

Sworn or Affirmed before me: in person OR by video conference
by Cian McDonnell of the City of Toronto, in the Province of Ontario, before me at the City of London in the Province of Ontario, on July 9th 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)



Signature of Commissioner (or as may be)



CIAN MCDONNELL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ROYNAT INC.


Applicant

-and-

1000602770 ONTARIO LTD.

Respondent

ATTACHED HERETO ARE EXHIBITS "A" TO "N"
AS REFERRED TO IN THE AFFIDAVIT OF CIAN MCDONNELL,
SWORN BEFORE ME ON JULY 9, 2024.



A Commissioner, etc.

EXHIBIT "A"



Profile Report

1000602770 ONTARIO LTD. as of May 13, 2024

| | |
|-----------------------------------|---|
| Act | Business Corporations Act |
| Type | Ontario Business Corporation |
| Name | 1000602770 ONTARIO LTD. |
| Ontario Corporation Number (OCN) | 1000602770 |
| Governing Jurisdiction | Canada - Ontario |
| Status | Active |
| Date of Incorporation | July 21, 2023 |
| Registered or Head Office Address | 15 Tawse Pl., Puslinch, Ontario, N0B2J0, Canada |

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

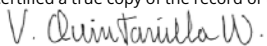
Name PANVEER SINGH DANIA
Address for Service 9 Darling Cres, Guelph, Ontario, N1L1P9, Canada
Resident Canadian Yes
Date Began July 21, 2023

Name CHARNJIT SINGH GREWAL
Address for Service 6955 Wellington Road 34, Cambridge, Ontario, N3C2V4, Canada
Resident Canadian Yes
Date Began July 21, 2023

Name PARMINDER SINGH GREWAL
Address for Service 13 Ochs Dr, Morriston, Ontario, N0B2C0, Canada
Resident Canadian Yes
Date Began July 21, 2023

Name DALER SINGH
Address for Service 6892 Gore Road, Puslinch, Ontario, N0B2J0, Canada
Resident Canadian Yes
Date Began July 21, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name PANVEER SINGH DANIA
Position President
Address for Service 9 Darling Cres, Guelph, Ontario, N1L1P9, Canada
Date Began July 21, 2023

Name CHARNJIT SINGH GREWAL
Position Secretary
Address for Service 6955 Wellington Road 34, Cambridge, Ontario, N3C2V4,
Canada
Date Began July 21, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Corporate Name History

Name

1000602770 ONTARIO LTD.

Effective Date

July 21, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

| Filing Name | Effective Date |
|--|--------------------|
| CIA - Initial Return PAF: PANVEER SINGH DANIA | September 18, 2023 |
| BCA - Articles of Incorporation | July 21, 2023 |

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

EXHIBIT "B"



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #61

PAGE 1 OF 2
PREPARED FOR ATIngey01
ON 2024/05/13 AT 09:57:17

71491-0161 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE

LT CONVERSION QUALIFIED

OWNERS' NAMES

1000602770 ONTARIO LTD.

RECENTLY:

DIVISION FROM 71491-0012

CAPACITY SHARE

ROWN

EIN CREATION DATE:

2005/11/07

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--|---|--|-------------|--|--|-----------|
| ** PRINTOUT | INCLUDES ALL | DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** | | | | |
| **SUBJECT, | ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO: | | | | | |
| ** | SUBSECTION 4# (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * | | | | | |
| ** | AND ESCHEATS OR FORFEITURE TO THE CROWN. | | | | | |
| ** | THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF | | | | | |
| ** | IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY | | | | | |
| ** | CONVENTION. | | | | | |
| ** | ANY LEASE TO WHICH THE SUBSECTION 70 (2) OF THE REGISTRY ACT APPLIES. | | | | | |
| **DATE OF CONVERSION TO LAND TITLES: 1998/02/09 ** | | | | | | |
| MS57023 | 1966/07/08 | BYLAW | | | | C |
| MS59544 | 1966/10/20 | BYLAW | | | | C |
| 61R2072 | 1979/09/13 | PLAN REFERENCE | | | | C |
| ROS223171 | 1979/10/12 | TRANSFER EASEMENT | | | THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH, OPERATING AS GUELPH HYDRO | C |
| ROS5200852 | 1985/12/31 | REST COV APL ANNEX | | | | C |
| WC243602 | 2009/05/04 | NOTICE | | HER MAJESTY THE QUEEN IN RIGHT OF CANADA | | C |
| | | REMARKS: AIRPORT ZONING | | | | |
| WC712166 | 2023/09/11 | TRANSFER | \$7,700,000 | DANBY PRODUCTS LIMITED | 1000602770 ONTARIO LTD. | C |
| | | REMARKS: PLANNING ACT STATEMENTS. | | | | |
| WC712167 | 2023/09/11 | CHARGE | \$7,000,000 | 1000602770 ONTARIO LTD. | ROYNAT INC. | C |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



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REGISTRY
OFFICE #61

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 2 OF 2
PREPARED FOR ATIngey01
ON 2024/05/13 AT 09:57:17

71491-0161 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|-------------------|-------------------|--------|-------------------------|-------------|---------------|
| WC712170 | 2023/09/11 | NO ASSGN RENT GEN | | 1000602770 ONTARIO LTD. | ROYNAT INC. | C |
| | REMARKS: WC712167 | | | | | |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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OFFICE #61

PAGE 1 OF 2
PREPARED FOR ATIngey01
ON 2024/05/13 AT 09:48:59

71491-0162 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

OWNERS' NAMES
1000602770 ONTARIO LTD.
CAPACITY SHARE
ROWN

RECENTLY:
DIVISION FROM 71491-0012
PIN CREATION DATE:
2005/11/07

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-------------------------|------------|---|-------------|--|--|-----------|
| ** PRINTOUT | | INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) ** | | | | |
| **SUBJECT, | | ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO: | | | | |
| ** | | SUBSECTION 4# (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * | | | | |
| ** | | AND ESCHEATS OR FORFEITURE TO THE CROWN. | | | | |
| ** | | THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF | | | | |
| ** | | IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY | | | | |
| ** | | CONVENTION. | | | | |
| ** | | ANY LEASE TO WHICH THE SUBSECTION 70 (2) OF THE REGISTRY ACT APPLIES. | | | | |
| **DATE OF CONVERSION TO | | LAND TITLES: 1998/02/09 ** | | | | |
| MS57023 | 1966/07/08 | BYLAW | | | | C |
| MS59544 | 1966/10/20 | BYLAW | | | | C |
| 61R2072 | 1979/09/13 | PLAN REFERENCE | | | | C |
| ROS223171 | 1979/10/12 | TRANSFER EASEMENT | | | THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH, OPERATING AS GUELPH HYDRO | C |
| ROS5534392 | 1987/06/30 | REST COV APL ANNEX | | | | C |
| ROS586649 | 1988/11/15 | BYLAW | | | | C |
| WC243602 | 2009/05/04 | NOTICE | | HER MAJESTY THE QUEEN IN RIGHT OF CANADA | | C |
| | | REMARKS: AIRPORT ZONING | | | | |
| WC682387 | 2022/08/17 | TRANSFER | \$1,142,308 | PAUL MACPHERSON AND ASSOCIATES LIMITED | | C |
| WC712166 | 2023/09/11 | TRANSFER | \$7,700,000 | DANBY PRODUCTS LIMITED | 2630432 ONTARIO INC. 1000602770 ONTARIO LTD. | C |

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PAGE 2 OF 2
PREPARED FOR ATIngey01
ON 2024/05/13 AT 09:48:59

71491-0162 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|-------------------|-------------------------|-------------------------|-------------|---------------|
| WC712167 | 2023/09/11 | CHARGE | \$7,000,000 | 1000602770 ONTARIO LTD. | ROYNAT INC. | C |
| WC712170 | 2023/09/11 | NO ASSGN RENT GEN | 1000602770 ONTARIO LTD. | 1000602770 ONTARIO LTD. | ROYNAT INC. | C |

REMARKS: PLANNING ACT STATEMENTS.

REMARKS: WC712167

REMARKS: WC712167

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

EXHIBIT "C"

CERTIFICATE OF THE TREASURER

City Hall, 1 Carden Street
 Guelph, Ontario, Canada N1H 3A1
 Email: tax@guelph.ca
 Telephone: (519) 837-5605
 Fax: (519) 837-5647

| | | | |
|--------------|--|----------------|--------------------------|
| CERTIFIED AT | June 27, 2024 | CERTIFICATE NO | 113341 |
| | | REFERENCE | 202068 |
| ISSUED TO | Samuel Petersen spetersen@harrisonpensa.com | ROLL NUMBER | 23.08.060.009.44222.0000 |
| | | ASSESSED OWNER | 1000602770 ONTARIO LTD |

PROPERTY DESCRIPTION PENALTY/INTEREST RATE 1.250 %

**SOUTHGATE DR GUELPH
 PLAN 680 LOT 21**

TAX ARREARS

Statement showing arrears of taxes on the above lands. (Reference Section 352 of the Municipal Act.)

| YEAR | TAXES LEVIED | TAXES OUTSTANDING | INTEREST | ARREARS OUTSTANDING |
|-------|--------------|-------------------|----------|---------------------|
| 2023 | 22,572.64 | 128.26 | 11.08 | 139.34 |
| 2022 | 21,878.46 | 0.00 | 0.00 | 0.00 |
| 2021+ | 133,366.40 | 0.00 | 0.00 | 0.00 |

STATEMENT OF CURRENT TAXES

(Issued pursuant to the provisions of Section 352 of the Municipal Act.)

| CURRENT LEVY | AMOUNT | INSTALMENT DUE DATES AND AMOUNTS | | DATE | AMOUNT | CURRENT OUTSTANDING | |
|--------------|------------------|----------------------------------|----------|------------|----------|----------------------|------------------|
| INTERIM | 11,286.30 | 2024/02/29 | 5,643.30 | 2024/04/30 | 5,643.00 | TAX | 23,958.34 |
| FINAL | 12,672.04 | 2024/06/28 | 6,336.04 | 2024/09/27 | 6,336.00 | OTHER CHARGES | 90.00 |
| SUPP/ADJ | 0.00 | | | | | PENALTY | 426.06 |
| TOTAL | 23,958.34 | | | | | TOTAL CURRENT | 24,474.40 |

TOTAL OUTSTANDING 24,613.74

I hereby certify that the above statement shows all arrears of taxes against the above lands.

1. This Certificate does not include any Arrears of Water or Hydro services to the property not added to the tax roll at this date. Contact Alectra Utilities for such information 1-833-ALECTRA or (519) 822-3010.
2. Nor does it include any direct services to the property not added to the Tax Roll at this date, such as work orders involving weed cutting charges, demolition, clean-ups, etc. Contact Building Services, telephone (519) 837-5615 for more information.
3. Tax levy to date does not include subsequent Supplementary Taxes that may be levied and added under Sections 33 and 34 of the Assessment Act as amended nor does it include adjustments that may be made under the Municipal Act and The Assessment Act.
4. Any Credit Balance appearing on this Certificate is not verified. No adjustment should be made unless the Credit Balance is a known and acknowledged overpayment. Contact tax@guelph.ca or telephone (519) 837-5605 for any further information as to disposition.
5. Application of tax payments if in arrears - where part payments of taxes due for any year are received, after crediting the payment first on account of interest and penalty and other charges, the remainder is to be credited against those instalments longest overdue. The unpaid balance shown on the Certificate is the amount due, only if paid on or before the last working day of the month of issue.
6. These charges do not include Local Improvements which are proposed for which construction has not commenced or Local Improvements which have been constructed but not levied.
7. The information on this Certificate is based payments being correctly applied to the account and clearing at their Financial Institution.



 For The City Treasurer

LOCAL IMPROVEMENTS ASSESSED TO THIS PROPERTY TO DATE INCLUDE

| CODE | DESCRIPTION | ANNUAL AMOUNT | EXPIRY | STATUS |
|------|-------------|---------------|--------|--------|
| | | | | |

Please confirm via email to tax@guelph.ca with appropriate paperwork (deed or transfer) that the sale has been completed in order that we may ensure that the new owner(s) receive future tax notices.

EXHIBIT "D"

Roynat Inc.
1235 North Service Rd W
Suite 200
Oakville, ON Canada L6M 2W2

T 1.905.337.6321 F 1.905.337.6355

Roynat Capital | Scotiabank.

August 14, 2023

Confidential

1000602770 Ontario Ltd.
225 Southgate Dr
Guelph, Ontario N1G 3M5

Attention: Mr. Panveer Singh Dania, Mr. Charnjit Singh Grewal, Mr. Parminder Singh Grewal, Mr. Daler Singh

RE: Offer of Finance

Dear Sirs:

We are pleased to confirm that Roynat Inc. ("**Roynat**") offers to 1000602770 Ontario Ltd. (the "**Borrower**") the financing described herein, on and subject to the terms and conditions described in the Financing Terms and Conditions attached hereto.

If the arrangements set out in this letter and in the attached Financing Terms and Conditions (collectively, the "**Offer of Finance**") are acceptable to you, please confirm your acceptance by signing the enclosed copy of this letter in the space indicated below, and return the same to us together with your cheque in the amount of \$10,000 in payment of the balance of the commitment fees set out in the Financing Terms and Conditions, as well as the enclosed privacy consent form and pre-authorized payment form, no later than August 18, 2023, after which date this Offer of Finance will lapse unless Roynat, in its sole discretion accepts it nonetheless.

By signing this Offer of Finance you confirm that the product(s)/service(s) will not be used by or for the benefit of a third party, and that you will not receive instructions from a third party with respect to the use of the product(s)/service(s).

Thank you for giving us the opportunity to contribute to your company's long-term financing. We appreciate your interest and look forward to receiving your acceptance.

Yours truly,

Roynat Inc.

Per: Elaine Broitman
Elaine Broitman
Associate

Winston Shariff
Winston Shariff
Director & District Manager

Address: 1235 North Service Rd. W., Suite 200, Oakville, ON, L6M 2W2
Attention: Elaine Broitman
Fax: 905.337.6355 E-mail: Elaine.Broitman@roynat.com

ACCEPTED this 17th day of Aug 2023.

Borrower:

1000602770 Ontario Ltd.

Per: CHARNJIT SINGH GREWAL
Name: ~~DIRECTOR~~ CHARNJIT SINGH GREWAL
Title: DIRECTOR

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Attention: _____
Fax: _____
E-mail: _____

Guarantor:

Tristar Carriers Ltd

Per: CHARNJIT SINGH GREWAL
Name: CHARNJIT SINGH GREWAL
Title: DIRECTOR

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Attention: _____
Fax: _____
E-mail: _____

and by Personal Guarantors:

Signature: CHARNJIT SINGH GREWAL
Name: **Charnjit Singh Grewal**

Address: _____

Fax: _____
E-mail: _____


Signature: Daler Singh
Name: **Daler Singh**

Address: _____

Fax: _____
E-mail: _____

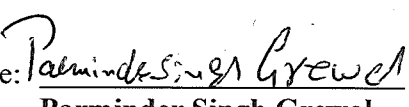
WITNESS: [Signature]
Name: (Sanjeev Pan)

WITNESS: [Signature]
Name: (Sanjeev Pan)

Signature: 
Name: **Panveer Singh Dania**

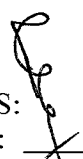
Address: _____


Fax: _____
E-mail: _____

Signature: 
Name: **Parminder Singh Grewal**

Address: _____

Fax: _____
E-mail: _____

WITNESS: 
Signature: _____
Name: **(Panveer Dania)**

WITNESS: 
Signature: _____
Name: **(Panveer Dania)**

FINANCING TERMS AND CONDITIONS

Offer of Finance dated August 14, 2023

LENDER: Roynat Inc. ("**Roynat**")

BORROWER: 1000602770 Ontario Ltd. (the "**Borrower**")

CURRENCY: All sums indicated in this Offer of Finance (including all the Appendices hereto, this "**Agreement**") are in Canadian dollars, unless otherwise indicated.

PROGRAM

| Availment of funds | | Source of funds | |
|---|--------------------|--------------------------------|--------------------|
| Purchase real estate property located at 225 Southgate Dr, Guelph, ON | \$7,700,000 | Roynat Inc.: Loan A: Term Loan | \$6,650,000 |
| Closing Costs | \$150,000 | Shareholder Contribution | \$1,200,000 |
| Total Step 1: | \$7,850,000 | Total Step 1: | \$7,850,000 |
| Development Costs | \$350,000 | Roynat Inc.: Loan A: Term Loan | \$350,000 |
| Total Step 2: | \$350,000 | Total Step 2: | \$350,000 |
| Total: | \$8,200,000 | Total: | \$8,200,000 |

Changes may only be made to the program as described above (the "Program") with the prior written consent of Roynat.

LOAN: Loan A: Term loan for an amount in principal of \$7,000,000 (the "**Loan**").

INTEREST: Loan A: **Canadian Variable Rate** plus 3.50% per annum. For information purposes only, the Canadian Variable Rate as of today's date is 5.87% per annum.

Interest accrued during each Interest Period with respect to the principal balance from time to time outstanding under the Loan shall be calculated and compounded monthly and payable monthly on the 15th day of each month. Any amount of principal or interest which is not paid when due shall bear interest at the Default Rate, compounded monthly, both before and after maturity, default and judgment and shall be payable on demand.

After the first Advance, Roynat will provide the Borrower monthly with a written confirmation of the interest rate applicable to the Loan and the amount of interest payable during the current month at least five days prior to each interest payment date but the non-receipt of any such notice shall in no way limit or negate the obligations of the Borrower to pay interest on such payment date.

**OPTION TO CONVERT
TO / EXTEND A FIXED
RATE:**

The Borrower may, at any time during any period in which Loan A bears interest at the Canadian Variable Rate, or at least five (5) Business Days prior to the expiry of any period during which a Loan bears interest at a fixed rate, ask Roynat to convert this Loan to a loan bearing interest at a fixed rate or ask Roynat to set a new term during which this Loan will bear interest at a fixed rate, subject to the conditions set out in **Appendix A**.

DISBURSEMENT DATE:

The full amount of the Loan must be disbursed no later than **December 31, 2023** (the "**Lapse Date**") unless Roynat decides to extend this date at its absolute discretion, failing which all of Roynat's obligations hereunder, including Roynat's obligations to make any Advance hereunder, will terminate and be cancelled and Roynat will keep all the fees indicated under the heading "Fees" below.

FEES:

The Borrower shall pay Roynat the following fees:

1. A non-refundable commitment fee in the amount of \$20,000. The application fee in the amount of \$10,000 already paid is now earned and will be applied against the commitment fee. The balance of \$10,000 is earned and is due and payable in full at the time the Borrower accepts this agreement.
2. Stand-by fees in an amount equal to one percent (1%) per annum on the undisbursed or unused portion of Loan A from December 15, 2023. The stand-by fees are calculated daily and payable monthly on the 15th of each month and Roynat may, at its option, deduct any standby fees payable from amounts disbursed hereunder.
3. For any delay over five (5) days in submitting to Roynat (i) any year end financial reporting, a late reporting fee of \$1,000 per month, and (ii) any of the other documents that are to be submitted to it as stipulated under the "Financial Reporting" heading below, a late reporting fee of \$500 per month.
4. Cancellation fees in an amount equal to three percent (3%) of the undisbursed portion of the Loan if the full amount of the Loan has not been disbursed by the Lapse Date at the latest for one of the following reasons:

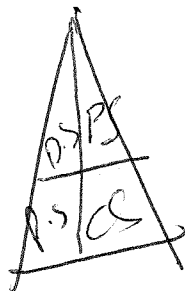
- A. The Borrower has failed to raise the other sources of financing described in the Program or has chosen to use another lender to raise some or all of the financing described in the Program;
- B. The Borrower has chosen not to follow up on this financing; however, the cancellation fees will not be payable in the event the financing is intended to finance an acquisition deal and that the financing cannot take place because the seller failed to meet its obligations;
- C. The Borrower failed to disclose important information to Roynat prior to the Lapse Date; or,
- D. The Borrower failed to meet the conditions precedent to the disbursement of the Loan by the Lapse Date at the latest.

REPAYMENT:

Tranche 1:

The Loan principal is repayable as follows:

| Number of payments | Amount of principal | Frequency | Due On | Ending On | Total \$ |
|--------------------|------------------------|--------------------|-----------------------|----------------------|------------------------|
| 12 | \$9,750 | Monthly | 15-Sept-23 | 15-Aug-24 | \$117,000 |
| 11 | \$10,850 | Monthly | 15-Sept-24 | 15-Jul-25 | \$119,350 |
| 1 | \$6,413,650 | Once | 15-Aug-25 | 15-Aug-25 | \$6,413,650 |
| Total: | | | | | \$6,650,000 |



All principal and interest payments stipulated herein are payable in the currency in which the Advance was made on the 15th of each month, unless expressly specified otherwise. Notwithstanding the foregoing, Roynat may, at its absolute discretion, postpone the start date of the repayment schedule set out above in the event there is a delay in disbursing the Loan.

The balance of the principal, if any, together with any interest, costs or other amounts owing hereunder will be payable on the date of the last payment provided for above.

Tranche 2:

Any Advance under Tranche 2 will be repayable in monthly installments of principal calculated based on an amortization of 20 years (step-blended), with such payments commencing on the 15th day of the month following advance, and payment of the balance outstanding due on August 15th, 2025.

PREPAYMENT:

If the Loan bears interest at a floating rate, the Borrower may make prepayments, in whole or in part, at any time, on payment of compensation

equal to the greater of, (i) three percent (3%) of the principal repaid, or (ii) three (3) months' interest on the principal prepaid at the rate then applicable to this Loan, provided the funds used for prepayment have been internally generated from normal course business operations. If the funds are from any other source, then the payment of compensation to Roynat will be equal to the greater of, (i) six percent (6%) of the principal repaid, or (ii) six (6) months' interest on the principal prepaid at the rate then applicable to this Loan.

Notwithstanding the preceding, the Borrower may repay, once a year without penalty, on the anniversary date of the final disbursement of the Loan in question, an amount not exceeding 10% of the outstanding balance on the date of prepayment, non-cumulatively. This option does not apply if the Loan bears interest at a fixed rate.

**CONDITIONS
PRECEDENT:**

The disbursement of the first Advance is subject to the receipt by Roynat of the following documents, each in form and content acceptable to Roynat and its legal advisors, and to the fulfilment of the other conditions precedent stipulated herein, each in form and substance satisfactory to Roynat in its sole discretion:

Tranche 1:

1. Confirmation that the Program and any required funding has been carried out in accordance with its description under the heading "Program" above without amendment.
2. A pre-authorized payment form (attached as **Appendix D**) together with a cheque from the Borrower marked "Void" in respect of the account from which payments will be withdrawn.
3. Existing lease agreement(s) between Borrower and owner of the real property located at 6 Winer Rd, Puslinch, ON N0B 2J0 and 50 Groh Ave, Cambridge, ON N3C 1Y9, which are utilized for truck parking.
4. Reliance letter addressed to Roynat for the Phase 1 and 2 environmental reports dated January 9, 2023 and January 13, 2023 concerning the real property located at 225 Southgate Dr. Guelph, ON prepared by Pinchin Ltd.
5. Reliance letter addressed to Roynat for the appraisal report dated July 19, 2023 concerning the real property located at 225 Southgate Dr. Guelph, ON prepared by AREAS Real Estate Appraisal and Advisory.
6. Customer reference call with ITN Logistics Inc., satisfactory to Roynat.

7. Lease agreement between the Borrower, as owner of the real property, and Tristar Carriers Ltd., as lessee, for a minimum period of 3 years providing for net rent sufficient to permit the Borrower to make the principal and interest payments stipulated for the loan.
8. Completion of satisfactory site visit to be completed by Roynat for the real property located at 225 Southgate Dr. Guelph, ON.
9. Amendment to the purchase and sale agreement dated May 18, 2023.
10. Favourable legal opinion issued by the legal advisors of the Borrower and, if applicable, of the corporate Guarantor(s) on all the financing set out herein.
11. Any other documents that Roynat may reasonably require.
12. The other conditions precedent under the heading "Conditions Precedent" in Appendix A.
13. Roynat shall have been satisfied, in its sole discretion, with its legal, financial, business, environmental and other due diligence of the Borrower and the other Obligors, and submission to Roynat of any other documents that it may reasonably require.
14. Roynat shall have received from the Obligors and reviewed to its satisfaction (in its sole discretion), all "know your client", anti-money laundering or similar identification information in order for Roynat to complete all its necessary due diligence with respect to the Obligors and comply with all applicable Sanctions and Anti-Terrorist Financing and Anti-Money Laundering Laws.

Tranche 2:

The disbursement of any Advance is subject to the submission to Roynat of the following documents, in form and content acceptable to Roynat and its legal advisors, and to the fulfilment of the other conditions precedent stipulated herein:

15. A copy of proof of payment and/or invoice for work completed.

SECURITY:

The obligations of the Borrower and, if applicable, each Guarantor under this Offer of Finance will be secured at all times by the following security in form and content acceptable to Roynat (collectively, the "**Security Documents**"):

A. Borrower

1. Demand Debenture in the principal amount of \$7,000,000 creating a first ranking fixed and specific charge on, and security interest in, the

real property described in **Appendix B** as well as a security interest in, all of the other present and future tangible and intangible personal and real property of the Borrower, including without limitation, the property described in Appendix B, subject only to Permitted Liens.

2. General Assignment of all leases and rents for the property located at 225 Southgate Dr, Guelph, ON.
3. Assignment of insurance appropriate to the risks involved, with loss payable to either/or (as their interests may appear) Roynat Inc. and Roynat Capital Inc. as mortgagee.

The Borrower and Guarantor shall authorize the insurance broker to release the insurance information required by Roynat and its insurance consultant by way of the Insurance Broker Contact Information and Release Form attached as **Appendix E**. Any insurance consultant fees incurred by us will be for your account.

B. Guarantor

4. Joint and Several Personal guarantees limited to the amount of \$2,500,000 by Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal (collectively, the "**Guarantor(s)**").
5. Corporate Guarantee for the full amount of the Loan by Tristar Carriers Ltd. (the "Guarantors") supported by a General Security Agreement, providing a first ranking security interest in all of the present and future tangible and intangible personal and real property of the Guarantor, including, without limitation, the personal property described in Appendix "B", if any, subject only to Permitted Liens.

Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal, and Tristar Carriers Ltd. are each a "Guarantor" and collectively "Guarantors".

C. General

6. Priority/Intercreditor agreement between Tristar Carriers Ltd, Roynat and the operating lender on terms and conditions satisfactory to Roynat.
7. Postponement and Subordination agreement between Roynat and Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal concerning the loan in the amount of \$1,200,000 granted by Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal to the Borrower on terms and conditions acceptable to Roynat. The agreement will permit the Borrower to make the interest payments currently stipulated to any instrument evidencing such loan at an interest rate that is not to exceed 3% per

annum as long as an Event of Default has not occurred or would result from any such payment being made.

8. Postponement and Subordination agreement between Roynat and Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal concerning the loan in the amount of \$632,040 granted by Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal to the Borrower on terms and conditions acceptable to Roynat.
9. Debt Service Shortfall Agreement signed by Charnjit Singh Grewal, Daler Singh, Panveer Dania Singh, Parminder Singh Grewal agreeing to advance sufficient funds to the Borrower within 45 days of the applicable semi-annual fiscal period so that the Borrower maintains compliance with the minimum Debt Service Coverage Ratio as outlined under the section "Financial Covenants" hereunder at the end of each applicable Period. Any cash injection is to be fully subordinated to Roynat to become permanent capital (in the form of shareholder loans with no current pay, fully subordinated and postponed). Any withdrawal of this capital is to be upon the approval of Roynat which will not be unreasonably withheld and based on the return to full covenant compliance for a minimum of one fiscal year as evidenced by the Borrower's reviewed annual financial statements as required under the "Financial Reporting" section below.
10. Any other security that Roynat and its legal advisors may reasonably require.

**FINANCIAL
COVENANTS:**

The following financial covenants must be complied with by the Borrower and will be verified by Roynat semi-annually, on the basis of the most recent combined financial statements of the Borrower and the Guarantor submitted to Roynat pursuant hereto:

1. Maintain a Working Capital Ratio, on a "**Combined**" basis, equal to or greater than 1.20:1 at all times.
2. Maintain a Debt Service Coverage Ratio, on a "**Combined**" basis, equal to or greater than 1.20:1, tested semi-annually on a rolling four quarters basis.

PROPERTY TAXES:

The Borrower undertakes to give to Roynat on an annual basis, upon receipt of and at least thirty (30) days before their due date, a copy of the property tax bills for the Property as well as proof of their payment without subrogation before their due date. In the event the Borrower fails to do so, the Borrower undertakes to give to Roynat, at the same time as the interest payments provided for herein, additional, equal and consecutive payments

that are sufficient in Roynat's opinion to ensure that Roynat has the necessary funds to pay all the property taxes on the Real Property when due. As long as an Event of Default has not occurred, the amounts so remitted to Roynat shall be applied to the payment of the property taxes on their due date; if these amounts are not sufficient to pay the said taxes in full, the Borrower shall remit the difference to Roynat at least five (5) days before the due date of the bills. Roynat is not responsible for any penalty, interest or other damages if the property taxes are not paid on time. After an Event of Default has occurred, Roynat may apply these funds collected for the taxes to the payment of any amounts owing to it at its discretion. Roynat shall credit annual interest equal to the Canadian Variable Rate less two percent (2%) per annum on the funds deposited, for the period during which they are not used.

OTHER COVENANTS:

- A. Without Roynat's prior written consent, the Borrower and / or the Guarantor shall not:
1. Generate, contract, accept responsibility for or allow the existence of any debt other than (i) debt provided for in this Offer of Finance; (ii) deferred taxes; (iii) other obligations that Roynat may approve in writing from time to time.
 2. Directly or indirectly, grant loans to, provide financial assistance in favour of, or make investments in any Person.
 3. Redeem all or part of the shares of its share capital.
 4. Make distributions during any fiscal period if there is any event of default or, as a result of such Distribution, would result in a default of any condition.
 5. Cause or permit a change in Control in Tristar Carriers Ltd or 1000602770 Ontario Ltd. which is currently held by Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, Parminder Singh Grewal.
- B. The Borrower, and as applicable the Guarantors, shall:
6. On request provide Roynat with evidence confirming all super-priority remittances are current. Super-priorities include all statutory remittances including but not limited to source deductions for income tax, CPP, and employment insurance premiums.
- C. The Borrower and Guarantor(s), as applicable agree:
7. A default under any other financing provided by Roynat or another lender to the Borrower or related entities shall constitute an Event of Default under this financing.

The Borrower and Guarantor(s), as applicable, shall also comply with each of the covenants described in Appendix A.

**FINANCIAL
REPORTING:**

As long as any Loan remains in effect or a sum due hereunder remains unpaid, the Borrower and Guarantor(s) as applicable will submit to Roynat the following documents in form and content acceptable to Roynat:

1. Unaudited semi-annual financial statements of Tristar Carriers Ltd. with comparable information for the prior year, no later than 45 days following the end of such period.
2. Annual review engagement financial statements of Tristar Carriers Ltd. no later than 120 days following the end of each fiscal period.
3. Annual compilation engagement financial statements of the Borrower no later than 120 days following the end of each fiscal period.
4. Any other documents, reports and financial information that Roynat may reasonably require from time to time.

Notwithstanding the preceding, Roynat reserves the right to require in the future that the financial statements of the Borrower and Guarantors submitted to Roynat be audited, and the Borrower and Guarantors undertake to submit such financial statements to Roynat following a written request to that effect.

EXPENSES:

The Borrower undertakes to pay to Roynat on demand all the legal and other costs and expenses incurred by Roynat from time to time, including, without limitation, for, (i) the preparation, negotiation, signing and registration of the Financing Documents as well as any amendment or waiver of the terms thereof, (ii) perfecting and keeping perfected any security interests created by any of the Security Documents, (iii) maintaining the intended priority of any security interests created by any of the Security Documents, and (iv) if applicable, for any survey, appraisal and inspection charges concerning the Collateral and the fees and charges for any search regarding the grantor's title, the whole whether or not the Financing Documents are signed by the Borrower or whether an Advance has been made to the Borrower or not. The said legal and other costs payable at the time of the first Advance made hereunder shall be deducted from the first Advance.

COPIES:

This Offer of Finance may be executed in counterparts and by different parties in different counterparts, all of which when taken together will constitute a single agreement. Subject to applicable conditions precedent being completed to the satisfaction of Roynat, the Offer of Finance will become effective when it has been executed by Roynat and Roynat has received counterparts of the Offer of Finance, that when taken together, bear the signatures of each of the other relevant parties. Delivery of an

executed counterpart of the Offer of Finance or a signature page to the Offer of Finance by telecopy or by sending a scanned or other copy by electronic mail (including over an electronic platform utilized by Roynat) or similar means shall be as effective as delivery of an originally executed counterpart, but Roynat may from time to time require delivery of originally executed documents. Roynat may create and store copies of documents in any form as part of its business records, including by microfilm, photocopy and electronic image. Copies may be held in place of original documents and substituted for original documents for any purpose.

**ELECTRONIC
COMMUNICATION:**

In administering the financing described in this Offer of Finance and in otherwise dealing with any Obligor or officer of an Obligor, Roynat may rely and act on e-mail, telecopier and other electronic communications that it reasonably believes have been sent by or on behalf of the Obligor or officer of the Obligor, but Roynat may from time to time require that communications from any Obligor or officer of an Obligor be in a non-electronic form specified by Roynat.

DEFINITIONS:

In this Offer of Finance, unless otherwise required by context:

1. "**Combined**" refers to the combined accounts of the Borrower and Tristar Carriers Ltd. in accordance with GAAP and without duplication.
2. "**Debt Service Coverage Ratio**" shall mean, with respect to the Person concerned, the ratio obtained by dividing [A] the sum of the net income, deferred income taxes, amortization and depreciation, interest on the term debt and capital leases, non-recurring or extraordinary items as approved by Roynat and gains or losses on disposals of assets by [B] the sum of the regular payments of principal and interest made or required to be made on the term debt and capital leases, plus unfunded capital expenditures, plus Distributions, all over the last twelve (12) months.
3. "**Working Capital Ratio**" shall mean, with respect to the Person concerned, the ratio obtained by dividing the amount of current assets by the amount of current liabilities, [excluding advances to related parties,] as determined according to the GAAP.

Additional defined terms may be found under the heading "Definitions" in the Standard Term and Conditions attached as Appendix A.

APPLICABLE LAWS:

This Offer of Finance shall be governed by and interpreted in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein (the "**Applicable Jurisdiction**"). Each of the parties hereby attorns to the exclusive jurisdiction of the courts of the Applicable Jurisdiction.

**STANDARD TERMS
AND CONDITIONS:**

The Standard Terms and Conditions set out in Appendix A form an integral part of this agreement and contain additional standard terms and conditions including, Representations and Warranties, Covenants and Events of Default and other general conditions.

Appendices to the Offer of Finance to 1000602770 Ontario Ltd.] dated August 14, 2023

APPENDIX A

STANDARD TERMS AND CONDITIONS

I. INTERPRETATION

A. Definitions

In this Agreement, unless otherwise defined in the Financing Terms and Conditions or otherwise required by context:

1. “\$” shall mean the legal currency in Canada.
2. “Advance” shall mean any advance of funds made by Roynat under this Agreement.
3. “AML Legislation” is defined in Section III of this Appendix A Standard Terms and Conditions.
4. “Anti-Terrorist Financing and Anti-Money Laundering Laws” means all applicable law concerning or related to money laundering or financing terrorism and which are applicable to Roynat, any Obligor or any affiliate thereof, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).
5. “Authority” shall mean an administrative body that regulates and/or publishes the relevant Benchmark Rate, including any applicable governmental or regulatory body that has the direct or indirect ability to determine whether or not a Benchmark Rate shall be generally used in the market and/or published.
6. “Benchmark Rate” shall mean any interest rate, fee or charge in a Financing Document that is based on or equivalent to a standard regularly published rate and includes, for greater certainty, Term SOFR and the Canadian Dollar Offered Rate.
7. “Business Day” shall mean a day (other than a Saturday or Sunday) during which banks and stock markets are open in Toronto (Canada) and, in the case of drawings in US\$, in New York (USA).
8. “Canadian Variable Rate” shall mean, subject to availability, the interest rate set for each Reference Period by adding 50 one hundredths of a percent (0.50%) to the arithmetic mean (rounded off to three decimal points) of the bankers’ acceptance rate in Canadian dollars for this period established by referring to the rate posted on each Business Day around ten o’clock a.m. (10:00), Toronto time, on the Refinitiv screen on the CDOR page under “BA 1 month” (as defined by the International Swaps and Derivatives Association, Inc.). If such rate does not appear on the CDOR page for a Business Day during the period concerned, then the applicable rate for that day shall be The Bank of Nova Scotia’s prime rate in effect at approximately the same time.
9. “Canadian Fixed Rate” shall mean the annual interest rate established by Roynat from time to time as being its reference rate for a fixed rate term loan having a term approximately equal to the term chosen by the Borrower which is granted by Roynat to its clients in Canadian dollars and which Roynat refers to as being its base Canadian fixed rate for the applicable term.
10. “Client Information” is defined in Section III of this Appendix A Standard Terms and Conditions.
11. “Collateral” shall mean the property of the Obligors which is encumbered in favour of Roynat under the Security Documents.
12. “Conforming Changes” means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any other Benchmark Rate, any technical, administrative or operational changes (including changes to the definition of “Business Day,” the definition of “Interest Period”, or any similar or analogous definition, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that Roynat decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Roynat in a manner substantially consistent with market practice (or, if Roynat decides that adoption of any portion of such market practice is not administratively feasible or if Roynat determines that no market practice for the administration of any such rate exists, in such other manner of administration as Roynat decides is reasonably necessary in connection with the administration of this Offer of Finance and the other Financing Documents).
13. “Contaminant” shall mean any solid, liquid, gas, odour, heat, sound, smoke, waste, vibration, radiation or combination of any of them resulting

directly or indirectly from human activities that may cause: (i) impairment of the quality of the natural environment for any use that can be made of it, (ii) injury or damage to property or to plant or animal life, (iii) harm or material discomfort to any person, (iv) an adverse effect on the health of any person, (v) impairment of the safety of any person, (vi) rendering any property or plant or animal life unfit for use by man, (vii) loss of enjoyment of normal use of property, or (viii) interference with the normal conduct of business, and includes any pollutant or contaminant as defined in any applicable Environmental Laws and any biological, chemical or physical agent which is regulated, prohibited, restricted or controlled.

14. “**Control**” shall mean the holding by a Person, directly or indirectly, other than as security, of the shares of a legal Person giving it the right to elect the majority of its directors.
15. “**Credit Adjustment Spread**” means the spread (if any), expressed as percentage interest per annum, to be added to Term SOFR for the purposes of determining the US Variable Rate.
16. “**Default Rate**” shall mean the interest rate otherwise applicable to the Loan plus three percent (3%) per annum.
17. “**Discontinuation Event**” means (i) an announcement by or on behalf of an Authority that the relevant Benchmark Rate will no longer be used or published, (ii) the relevant Benchmark Rate is not published for five consecutive Business Days and such failure is not reasonably believed to be temporary in nature, or (iii) the Authority has invoked its insufficient submissions policy or any policy of similar effect with respect to the Benchmark Rates).
18. “**Distribution**” shall mean, in respect of a Person, any form of direct or indirect payment or non-cash distribution of any of its assets made by such Person to a shareholder, unit holder, director or officer of such Person (including, without limitation, a distribution or share redemption that reduces the net worth of such Person, a dividend (other than share dividend payments) and the payment of advances (in principal or interest) owing to a third party who is a manager or employee of such Person or someone having ties thereto), but excluding the salaries paid during the normal course of business.
19. “**Environmental Laws**” shall mean the common law and all applicable federal, provincial, local, municipal, governmental or quasi-governmental

laws, rules, regulations, policies, guidelines, licences, orders, permits, decisions or requirements concerning Contaminants, occupational or public health and safety or the environment and any other order, injunction, judgment, declaration, notice or demand issued thereunder.

20. “**Equipment**” shall mean, with respect to an Obligor, its present and future materials and equipment, particularly, without limitation, all the tools, instruments, furniture and vehicles.
21. “**Equivalent Amount**” shall mean, on a given date, the amount in \$ or in US\$, whichever the case, resulting from the conversion of an amount into US\$ or in another currency into \$ or of an amount into \$ or in another currency into US\$, respectively, at the noon spot exchange rate of the Bank of Canada for buying US\$ or another currency through \$ or for buying \$ or another currency through US\$, respectively, listed, published or otherwise announced by the Bank of Canada on that date.
22. “**Event of Default**” shall mean any event of default described in under the heading “Events of Default” in this Appendix “A” Standard Terms and Conditions.
23. “**Financing Documents**” shall mean, collectively, this Agreement, the Security Documents and all present and future documents, instruments, certificates and contracts delivered by an Obligor in favour of Roynat whether pursuant to this Agreement or otherwise.
24. “**GAAP**” shall mean the generally accepted accounting principles in effect from time to time in Canada, as established, set out or adopted by the Canadian Institute of Chartered Accountants or any successor body, applied consistently from one fiscal period to another, including the International Financial Reporting Standards and Accounting Standards for Private Enterprise.
25. “**Interest Period**” shall mean each monthly period commencing on the 15th day of a month and ending on the 14th day of the following month.
26. “**Laws and Rules**” shall mean as applicable to any Person or product or service contemplated herein (“Service”): (a) the laws, statutes, codes, acts, ordinances, orders, regulations, directives, guidelines, and other requirements of all domestic and foreign governmental and regulatory authorities having jurisdiction over the Person or Service (including the Office of the Superintendent of Financial Institutions (Canada) and any

- Province, Territory or other government of Canada) and (b) the rules, standards, conditions, and other requirements of any clearing and payment systems or other financial intermediaries applicable to the Person or Service (including Rule H-1 and Rule F-1 of the Payments Canada applicable to cash management pre-authorized debits); each as may be amended or replaced from time to time.
27. **"Lien"** shall mean, any mortgage, debenture, deed of trust, lien, pledge, conventional hypothec, legal hypothec, encumbrance, prior claim, right of retention, fixed or floating charge, assignment for security purposes, consignment, security interest, royalty interest, adverse claim or defect of title, encumbering or affecting any property whatsoever, whether movable or immovable, real or personal, tangible or intangible, presumed or deemed trust, or other right benefitting its bearer, any conditional sales contract, capital lease (or financial lease) or any other rental agreement required to appear on the balance sheet as a lease contract and any other arrangement having the effect of providing security.
28. **"Material Adverse Change"** shall mean a material adverse change, individually or collectively, in the activities, assets, liabilities, financial situation or operating results of an Obligor or a change having or which may have, in Roynat's opinion, an adverse effect on an Obligor's ability to fulfill its obligations under this Agreement or under any other Financing Documents or on the validity or enforceability of any of the Security Documents.
29. **"Obligors"** shall mean the Borrower, each Guarantor, if any, and any other Person that from time to time guarantees the obligations of the Borrower to Roynat, and **"Obligor"** shall mean any one of them.
30. **"OFAC"** means The Office of Foreign Assets Control of the United States Department of the Treasury.
31. **"Person"** shall mean, depending on the context, any legal person, natural person, corporation or other body corporate, joint venture, company, limited liability company, partnership, agency, trust, instrumentality, unincorporated body of persons, association, government or government body or other entity.
32. **"Permitted Liens"** shall mean, at a given time, one or several of the following:
- (a) a reserve set out in an original grant from the Crown of land or of rights in and over land, a reserve imposed by law on a title or with respect to mining rights set out in a grant from the Crown or from a predecessor in title;
 - (b) a servitude or a right of passage for a public service, an encroachment, a right of view or other right, including, without limiting the generality of the foregoing, for sewers, drains, gas and water lines, conveyance of steam, conduits, streetlight, hydro, telephone or telegraph wires and poles, pipelines or a zoning restriction regarding the use of an immovable of an Obligor, which will have no major adverse impact on the use for which said immovable is intended and which will not materially affect any Lien on such immovable;
 - (c) a Lien on taxes, rates or other charges imposed by government authorities which are not yet due or, if they are due, the validity of which is contested diligently and in good faith by an Obligor or on its behalf by means of legal proceedings duly instituted, provided that the action pertaining to their application was not the subject of an unappealable final decision and that sufficient provision has been made for paying them, in accordance with the GAAP and in a manner that Roynat deems acceptable;
 - (d) a Lien resulting from a judgment rendered or from a claim brought against an Obligor, which such Obligor contests diligently and in good faith by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;
 - (e) a Lien of a stakeholder in the construction or renovation of any immovable whatsoever, provided that the said Lien is securing an obligation of an Obligor which is not overdue or which has not been neglected by such Obligor or, if the obligation is overdue or such Obligor has failed to fulfill it, provided that such Obligor brings an action within fifteen (15) days of its publication in view of its cancellation or elimination, unless such

Obligor or a third party acting on its behalf does not diligently and in good faith contest the validity of the Lien by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;

- (f) purchase money security interests consisting of any validly perfected charge, lien, security interest or other encumbrance, created, assumed or arising by operation of law after the date hereof, to provide or secure the whole or any part of the consideration for the acquisition of tangible personal property other than Inventory, where
 - (i) the principal amount secured thereby does not exceed the cost to the applicable Obligor of such property,
 - (ii) the applicable Obligor's obligation to repay is secured only by the property so acquired by such Obligor,
 - (iii) the property is not being acquired as a replacement or substitution for property and assets which are specifically charged hereby, and
 - (iv) such security includes the renewal or refinancing of any such purchase money security interest on the same property provided that the indebtedness secured and the security therefor is not increased and remains validly perfected;
- (g) a minor title defect;
- (h) a Lien granted in favour of Roynat;
- (i) any other Lien consented to in writing by Roynat from time to time.

33. **"Real Property"** shall mean the real and immovable property of the Obligors, if any, including as described in **Appendix B.**

34. **"Reference Period"** shall mean, with respect to any Interest Period, the period commencing on the 8th day of the month immediately preceding the month in which such Interest Period commences

and ending on the 7th day of the month in which the Interest Period commences, except that if the rate of interest hereunder is being determined:

- (a) for the purpose of prepayment by the Borrower, the Reference Period shall end on the 7th day preceding the prepayment date;
- (b) for any other purpose, other than the payment of interest on the day following an Interest Period, the Reference Period shall end on the day preceding the day on which the rate is being determined and the following Reference Period shall commence on such day and end on the next following 7th day of a month.

35. **"Replacement Rate"** means an alternate interest rate, fee, or charge, including any positive or negative spread adjustment or method for determining such spread adjustment selected by Roynat, acting reasonably, in each case giving due consideration to any market convention for similar credit facilities; provided that the Replacement Rate (together with any applicable spread) shall not be less than zero for the purposes of any Financing Documents.

36. **"Sanctions"** shall mean any trade, economic or financial sanctions, laws, regulations, executive orders, embargoes or restrictive measures imposed, administered or enforced by a Sanctions Authority.

37. **"Sanctions Authority"** shall mean any one or a combination of:

- (a) the United Nations;
- (b) the United States of America;
- (c) Canada;
- (d) the United Kingdom and each respective member of the European Union; and
- (e) the governments and official institutions or agencies of any of paragraphs (a) to (d) above, including the Security Council of the United Nations, OFAC, the United States Department of State, Global Affairs Canada and Her Majesty's Treasury of the United Kingdom.

38. **"Sanctioned Country"** shall mean at any time a country, region or territory which itself is the subject or target of any Sanctions.

39. **"Sanctioned Person"** shall mean a Person that is, or is directly or indirectly owned or controlled by,

a Person or Persons listed, designated, or sanctioned under any Sanctions or any Person operating, organized or resident in a Sanctioned Country.

40. "SOFR" means a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).
41. "Term SOFR" means the Term SOFR Reference Rate for a tenor comparable to the applicable Reference Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Reference Period, as such rate is published by the Term SOFR Administrator ("Term SOFR Screen Rate"); provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Discontinuation Event with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day. If the applicable Term SOFR Reference Rate is not available and a Replacement Rate for the Term SOFR Reference Rate has not been activated, then the percentage rate per annum shall be used which is the aggregate of:
- (a) the US Central Bank Rate prevailing on the first day of the interest or discounting period, as determined by Roynat; and
 - (b) the applicable US Central Bank Rate Adjustment, (rounded if necessary to four decimal places with 0.00005 being rounded upwards) and if in either case the rate or aggregate of that rate (as the case may be) is less than zero, the rate shall be deemed to be zero. Provided, further, that if Term SOFR determined as provided above (including pursuant to the proviso above) shall ever be less than zero, then Term SOFR shall be deemed to be zero.
42. "Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Roynat in its reasonable discretion).
43. "Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.
44. "US Central Bank Rate" means, for any day, (a) the short-term interest rate target set by the U.S. Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time; or (b) if that target is not a single figure, the arithmetic mean of: (i) the upper bound of the short-term interest rate target range set by the U.S. Federal Open Market Committee and published by the Federal Reserve Bank of New York; and (ii) the lower bound of that target range provided that a reference to US Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.
45. "US Central Bank Rate Adjustment" means, in relation to any U.S. Government Securities Business Day, the mean of the spreads (expressed as a percentage rate per annum) over the two most immediately preceding U.S. Government Securities Business Day for which the Term SOFR Screen Rate has been published of:
- (a) the Term SOFR Screen Rate for that interest or discounting period on that U.S. Government Securities Business Day; and
 - (b) the US Central Bank Rate prevailing at close of business on that U.S. Government Securities Business Day,
- as calculated by Roynat excluding the highest spread (and, if there is more than one highest spread, only one of those highest spreads) and lowest spread (or, if there is more than one lowest spread, only one of those lowest spreads).
46. "U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for

purposes of trading in United States government securities.

47. "US\$" or "US Dollar" shall mean the legal currency in the United States of America.
48. "US Fixed Rate" shall mean the annual interest rate established by Roynat from time to time as being its reference rate for a fixed rate term loan having a term approximately equal to the term chosen by the Borrower which is granted by Roynat to its clients in US\$ and which Roynat refers to as being its base US\$ fixed rate for the applicable term.
49. "US Variable Rate" shall mean, subject to availability, for a given monthly period, the annual variable interest rate that Roynat establishes from time to time as a reference rate it uses in Canada to determine the interest rates applicable to US\$ commercial loans granted in Canada and which corresponds to the arithmetic mean of Term SOFR for a period of thirty (30) days plus (i) 0.50% per annum, plus (ii) the Credit Adjustment Spread (if any), provided that if the US Variable Rate as so determined shall ever be less than zero, then the US Variable Rate shall be deemed to be zero.

B. Application of GAAP

In the event any corporate Obligor adopts any change in its policies, practices or accounting methods compared to those applied during the previous fiscal year, such Obligor shall send to Roynat any information required to ensure that the financial information provided after such change is comparable to the financial information presented in the past. In addition, all the calculations done for the purposes of the present Offer of Finance shall continue to be done according to the policies, practices and accounting methods in effect on the date of the most recent fiscal year end. In the event of such change to the policies, practices or accounting methods, Roynat reserves the right to (a) take immediate measures arising from the violations of the financing conditions or of any other term or condition set out in the present Offer of Finance which the application of the policies, practices or accounting methods revealed, and (b) at its discretion and in a reasonable manner, modify the financing conditions affected by the change.

C. Other Interpretation

In this Agreement, unless otherwise specified or the context otherwise requires, (i) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section of it is a reference to

the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and vice-versa and words in one gender include all genders.

II. REPRESENTATIONS AND WARRANTIES

Each Obligor (as applicable) makes the representations and provides the following warranties to Roynat, which are a valid on the date of each Advance under the Loan and on any subsequent date referred to in any of the said representations or warranties made to Roynat on the date hereof:

1. It is a corporation, partnership or trust, as applicable, duly constituted, validly existing, in good standing and having the necessary capacity, power and authority to carry out its activities and sign each of the Financing Documents;
2. Each of the Financing Documents has been or will be duly authorized and constitutes or will constitute its legally valid and binding obligation;
3. The authorization, creation, execution and delivery of each of the Financing Documents and compliance with their terms:
 - (a) does not and will not contravene any applicable law, regulation, rule, order, judgment or injunction or the articles, by-laws or any unanimous shareholders' agreement binding on it;
 - (b) does not and shall not result in a breach or a default under any indenture, instrument, lease, agreement or undertaking to which it is a party or by which it or its Collateral may become bound;
4. It, as well as its business and its activities, are in compliance, in all material respects, with all of the applicable laws;
5. It has filed on time all its tax returns and all the reports and statements it is to file and has paid, on time, all the taxes due and payable by their due date at the latest;
6. It owns or will own the Collateral, free and clear of any Lien, with the exception only of the Permitted Liens;
7. All the information and documentation (financial or otherwise) provided by it to Roynat are true and accurate in all material respects and this information and documentation does not contain

- any material misstatement of fact or any omission of an important fact that is necessary to ensure that the information and documentation is not misleading, and there are no facts that it has not disclosed in writing to Roynat which could constitute a Material Adverse Change;
8. There has been no Material Adverse Change since the date of the last financial statements submitted by it to Roynat in accordance herewith and no situation has occurred that has constituted or could constitute a Material Adverse Change;
9. There is no Event of Default and, after due diligence, no Event of Default is imminent;
10. Its chief executive office is located at the address indicated below its signature on the page of its acceptance of this Agreement;
11. Except as disclosed in writing to Roynat, no action, lawsuit, arbitration proceeding or any other legal proceeding is in process against the Obligor nor, to its knowledge, after due diligence, is imminent;
12. Except as disclosed in writing to Roynat, it does not carry on business under any trade or business name, and does not own any Collateral or carry on any material business in any jurisdiction other than the Applicable Jurisdiction;
13. Except as disclosed in writing to Roynat:
- (a) It currently conducts and maintains its business, operations and the Collateral so as to comply in all respects with all applicable Environmental Laws, including having all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the businesses carried on at or from the Real Property;
- (b) there are no Contaminants or dangerous or potentially dangerous conditions on or affecting the Collateral whether on or below the surface of the Real Property or located in any improvements thereon, including without limitation, any materials containing gasoline, polychlorinated biphenyls or radioactive substances nor are there any noxious, dangerous, potentially dangerous or toxic substances or conditions present on properties in the vicinity of the Real Property which would affect the uses to which the Collateral may be put or the market value thereof; and
- (c) it has not given, nor does it have an obligation to give, nor has it received, any notice or claim or communication regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property adjacent or proximate thereto, including any notice pursuant to any Environmental Laws.
14. It shall use the Loan solely for the purposes described in the Program and in the normal course of business.
15. To the best of its knowledge, neither it nor any of its subsidiaries, directors, officers, employees, agents or affiliates (a) is a Sanctioned Person, or (b) operate, possess, own, charter, or use a vessel that is listed, designated or sanctioned under any Sanctions.
16. To the best of its knowledge, neither it nor any of its subsidiaries, directors, officers, employees, agents or affiliates:
- (a) is a Sanctioned Person or does it, nor any such other entity or individual, operate, possess, own, charter, or use a vessel that is listed, designated or sanctioned under any Sanctions
- (b) is engaging in or has engaged in any transaction or conduct that could result in it becoming a Sanctioned Person;
- (c) is or has ever been subject to any claim, proceeding, formal notice or investigation with respect to Sanctions; or
- (d) is engaging or has engaged in any transaction that evades or avoids, or has the purpose of evading or avoiding, or breaches or attempts to breach, directly or indirectly, any Sanctions applicable to it.
17. To its knowledge (after prudent investigation), no Person who will benefit in any capacity in connection with or from a Loan and/or any instruments and/or payments thereunder is a Sanctioned Person.

III. COVENANTS

A. Positive Covenants

Each Obligor (as applicable), declares, covenants, and agrees to:

1. maintain and preserve its existence as a company, partnership or trust, as applicable, not change the nature of its business and obtain and keep all the permits, leases, licenses, rights, privileges, consents and approvals necessary for operating its business;
2. duly pay, on time, all the amounts it is to pay pursuant to the terms of these presents and of any other Financing Document at the time and place and in the currency and manner prescribed therein;
3. continue to run its business diligently, efficiently and prudently and use, conserve and administer the Collateral in the same manner;
4. keep the required books, records and accounts in good and proper form;
5. preserve, repair and maintain the Collateral in good condition and upgrade or replace that which has been destroyed or rendered unusable;
6. comply with the requirements of all the laws and regulations applicable to it, including, in particular, the laws and regulations concerning zoning and urban planning;
7. comply with all Anti-Terrorist Financing and Anti-Money Laundering Laws and "know your client" ("KYC") applicable laws (collectively, "**AML Legislation**");
8. adopt and maintain adequate policies, procedures and controls to ensure that it and each of its directors, officers, employees and agents is in compliance with all AML Legislation;
9. pay without delay, on time, all the taxes, rates, assessments and other claims that may encumber the Collateral and provide Roynat, on demand, with proof of their payment without subrogation (on a semi-annual basis or more frequently, as required by Roynat) and of payment of all the amounts owing by it to the government authorities as deductions at source. The remittances include the deductions at source related to employees' income tax, employment insurance premiums and Canada Pension Plan contributions. The proof of payment may be in the form of cancelled cheques or payment receipts issued by the government authorities.
10. insure the Collateral and keep it constantly insured against any loss or damage caused by fire or any other disaster which, according to Roynat, should be covered by insurance, up to their replacement value, as well as civil liability insurance (including environmental liability) with one or several insurance companies approved by Roynat and having adequate coverage for a company operating in the field in which it does business. The insurance policy shall also cover the value of the rental income or the loss of income due to an interruption of business, whichever the case, for a period of at least twelve (12) months. Any indemnity under such policy shall be payable to Roynat, based on its interest, pursuant to a mortgage clause formulated as suggested by the Insurance Bureau of Canada and providing for a notice of at least thirty (30) days to Roynat if the insurance policy is amended or cancelled. No insurance policy shall contain a co-insurance clause without the prior written consent of Roynat.
11. shall, forthwith on the happening of any loss or damage, provide at its sole expense, all necessary proofs and do all necessary work to repair or necessary acts to enable Roynat to obtain payment of the insurance moneys subject to the rights of the holders of Permitted Liens.
12. submit every insurance policy immediately to Roynat and subsequently provide it with proof of its renewal or its replacement at least thirty (30) days before its expiry, failing which, Roynat may, if it so desires, without requesting or giving notice, renew or replace such policy at its expense, without prejudice to its other rights;
13. advise Roynat in writing of the occurrence of any Event of Default, of any action, lawsuit or proceeding instituted which concerns such Obligor, or of the registration of a Lien on its property, whether it is a Permitted Lien or not;
14. allow Roynat's representatives, upon reasonable notice and during normal business hours, to examine and copy its books and records or to take extracts therefrom, to inspect the Collateral and to discuss its activities and business with its directors and external accountants;
15. keep all its bank accounts at a financial institution acceptable to Roynat and deposit into these accounts all the amounts received in relation to its debts;
16. promptly provide Roynat:
 - (a) upon request with such documentation and information (hereinafter, "**Client Information**") as may be required from time to time to enable Roynat to establish

- the identity and existence of each Obligor, its directors, officers and shareholders and to otherwise allow Roynat to meet its record-keeping, reporting and ongoing monitoring obligations under applicable law and regulations, including under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*; and
- (b) with updated Client Information if it becomes aware of any circumstances that would cause the Client Information previously provided to Roynat to be incomplete or materially inaccurate in any way;
17. comply with the requirements of all Environmental Laws including, without limitation, as follows:
- (a) shall conduct and maintain the Real Property, the Collateral and its business, operations, and shall cause any tenant of the Real Property to maintain the Real Property and its business operations, so as to comply in all respects with all applicable Environmental Laws, including obtaining all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the business carried out on, at or from the Real Property;
- (b) except as specifically permitted by Roynat in writing, it shall not permit or suffer to exist, Contaminants or dangerous or potentially dangerous conditions in, on or below the Real Property including, without limitation, any polychlorinated biphenyls, radioactive substances, underground storage tanks, asbestos or urea formaldehyde foam insulation;
- (c) has no knowledge of the existence of Contaminants or dangerous or potentially dangerous conditions at, on or under the Real Property or any properties in the vicinity of the Real Property which could affect the Real Property or the market value thereof or in levels that exceed the standards in Environmental Laws;
- (d) has no knowledge of the Real Property, or any portion thereof, having been used for the disposal of waste;
- (e) has not given or received, nor does it have an obligation to give, any notice, claim, communication or information regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property in the vicinity of the Real Property, including any notice pursuant to any Environmental Laws or any environmental report or audit. It shall notify Roynat promptly and in reasonable detail upon receipt of any such claim, notice, communication or information or if it becomes aware of any violation or potential violation by it or any tenant of the Real Property of any Environmental Laws and shall describe therein the action which it intends to take with respect to such matter;
- (f) shall at its expense establish and maintain a system to assure and monitor continued compliance with, and to prevent the contravention of, Environmental Laws, which system shall include periodic reviews of such compliance system;
- (g) shall provide confirmation to Roynat upon request but not less often than annually that it is in compliance with all applicable Environmental Laws and that there is no default under this Section 15(g). Upon request, it shall provide Roynat with a duly completed environmental questionnaire, in Roynat's form;
- (h) shall promptly advise Roynat in writing of any material adverse change in the environmental or other legal requirements affecting it or the Collateral or the Real Property upon it becoming aware of any such change, and it shall provide Roynat with a copy of any of the orders, by-laws, agreements or other documents pursuant to which any such change is effected or documented;
- (i) shall at its expense promptly take or cause to be taken any and all necessary remedial or clean-up action in response to the presence, storage, use, disposal, transportation, release or discharge of any Contaminant in, on, under or about any of the Real Property, or used by it or any tenant of the Real Property, in compliance with all material laws including, without limitation, Environmental Laws, and in accordance with the orders and directions of all applicable federal, state, provincial, municipal and local governmental authorities;

- (j) shall deliver to Roynat a true and complete copy of all environmental audits, evaluations, assessments, studies or tests relating to it, the Real Property or the Collateral now in its possession or control or forthwith after the completion thereof, or upon such materials coming into its possession or control;
 - (k) shall at its expense, if reasonably requested by Roynat in writing, retain an environmental consultant acceptable to Roynat, acting reasonably, to undertake environmental tests and to prepare a report or audit with respect to the Real Property and deliver same to Roynat for its review; and,
 - (l) shall indemnify and save harmless Roynat, its officers, directors, employees, agents and shareholders from and against all losses, liabilities, damages or costs (including complete reimbursement for 100% of all legal fees and disbursements) suffered including, without limitation, the cost or expense of any environmental investigation, the preparation of any environmental or similar report, and the costs of any remediation arising from or relating to any breach of the foregoing covenants of this Section 15(l), any breach by it, any tenant or any other Person now or hereafter having an interest in the Collateral or the Real Property which is asserted or claimed against Roynat; the presence, in any form, of any Contaminant on or under the Real Property, or the discharge, release, spill or disposal of any contaminant by it, which is asserted or claimed against any of these indemnified persons. This indemnity shall survive the payment in full of all amounts due under or in connection with the Financing Documents and the discharge of the Security Agreements. Roynat shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to the Financing Documents.
18. notify Roynat promptly in writing on becoming aware of same, and in reasonable detail, if such Obligor:
- (a) engages in any trade, commerce or other commercial dealings with any Sanctioned Person, or any country that is the subject of any Sanctions;
 - (b) becomes a Sanctioned Person; or

- (c) receives notice of or becomes aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority.

B. Negative Covenants

1. Without the prior written consent of Roynat, each Obligor (as applicable) declares, covenants and agrees not to:
- (a) generate, contract, accept responsibility for or allow the existence of a Lien encumbering the Collateral or any part thereof, with the exception of the Permitted Liens except that it may give security to its banker (as acceptable to Roynat acting reasonably, but not to more than one banker or to a banking syndicate) on its inventory or under assignments of its trade receivables (by way of confirmation, trade receivables do not include the proceeds of the sale or disposition of Collateral or the proceeds of life insurance policies assigned to Roynat) and such security, if validly perfected, shall rank prior to the interest granted hereby on such inventory and accounts receivable without further action by Roynat;
 - (b) sell, assign, rent or otherwise alienate the Collateral or any part thereof, except (i) the sale of its inventory in the ordinary course of its business, and (ii) the sale or other disposal of furniture, machinery, equipment, vehicles and accessories having an aggregate value of more than \$100,000 which is no longer necessary or useful to the operation of its business or which has become outdated, damaged or otherwise unusable, provided that it substitutes them immediately with other property of the same nature and value so as to form part of the Collateral;
 - (c) change the nature of its business;
 - (d) conclude a merger or any other form of amalgamation of companies or proceed with its liquidation or dissolution;
 - (e) create nor permit to exist any new subsidiary, affiliate or non-arm's length company or firm; or
 - (f) change the date of its fiscal year end.
2. Each Obligor (as applicable), declares, covenants and agrees not to:

- (a) fund all or part of any payment or repayment in connection with any obligation under this Agreement out of proceeds derived from business or transactions with a Sanctioned Person, or from any action which is in breach of any Sanctions;
- (b) take, directly or indirectly, any action with respect to the use of proceeds from a Loan that will result in a violation by any Person (including, without limitation, an Obligor or Roynat) of the laws of any applicable jurisdiction, including without limitation, Sanctions.

C. Other Covenants

1. Each Obligor agrees and acknowledges:

- (a) That Roynat is required to act in accordance with, and it is Roynat's policy to comply with, Laws and Rules, including those which relate to Sanctions and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion; and Roynat may take any action (a "**Compliance Action**") that Roynat, in its sole discretion, considers appropriate to act in accordance with Sanctions or other laws and rules. Such Compliance Action may include the interception and investigation of any payment, communication or instruction, or other information; the making of further enquiries as to whether a Person is subject to any Sanctions; and the refusal to process any transaction or instruction (including advance or acceptance of repayment of funds) that does not conform with Sanctions;
- (b) That pursuant to AML Legislation, Roynat may be required to obtain, verify and record information regarding each Obligor, each of their respective subsidiaries and each of their respective directors, authorized signing officers, direct or indirect shareholders or other Persons in control of any of them, and the transactions contemplated herein. Each Obligor shall, promptly provide all such information as may be reasonably required by Roynat, or any assignee or participant of Roynat, in order to comply with AML Legislation.

IV. EVENTS OF DEFAULT

A. Events of Default

The occurrence of any of the following events shall constitute an Event of Default under the terms hereof:

1. if any Obligor fails to make the payment of any amount of principal, interest, charges or other amounts owing under this Agreement or under any other Financing Document;
2. if any representation or warranty made or given in this Agreement or in any other Financing Document proves at any point to be false or misleading in any material respect;
3. if any Obligor fails to honour one or several of its Covenants or obligations set out in this Agreement or in any other Financing Document;
4. if a third party obtains a final and binding judgment against any Obligor amounting to \$25,000 or more, and such judgment is not satisfied within thirty (30) days from the date it is rendered;
5. if a creditor of an Obligor institutes an action or gives notice for the purpose of exercising its rights and recourse against any Collateral, particularly by seizure, notice of intention, notice of closure, taking of possession, registration of a legal hypothec or the like;
6. if any Obligor fails to meet any monetary or non-monetary obligation in an amount exceeding \$25,000 to any of its other creditors or to Roynat under any other financing other than that provided for herein;
7. if any other important provision of this Agreement or of any other Financing Document is declared invalid or unenforceable;
8. if there is a change in Control of any Obligor without the prior written consent of Roynat;
9. if any Obligor commits an act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or assigns its property in favour of its creditors or files or consents to the filing of a petition in bankruptcy or a proposal under the *Bankruptcy and Insolvency Act* (Canada) or if any Obligor is deemed insolvent or bankrupt, or consents or approves or makes a petition or applies to the court for the appointment of a trustee, fiduciary, liquidator or receiver with respect to itself or its property, or if any Obligor institutes proceedings with respect to itself or its property

pursuant to any law that concerns a reorganization, an arrangement, a recovery, a compromise or a liquidation, in any jurisdiction whatsoever (hereinafter called "**Bankruptcy Proceedings**") or if Bankruptcy Proceedings are instituted against any Obligor or if a trustee, fiduciary, liquidator or receiver for any Obligor or for its property is appointed or if any Obligor consents to, approves or accepts any Bankruptcy Proceedings or the appointment of any trustee, fiduciary, liquidator or receiver with respect to itself or its property; unless, if Bankruptcy Proceedings are instituted against any Obligor, the latter had the right to contest it in good faith and unless Roynat is satisfied, at its entire discretion, that the repayment of the amounts owing under the Loan will not be compromised;

10. if any Obligor takes any proceedings for its dissolution, liquidation or amalgamation with another company or if the legal or corporate existence of any Obligor shall be terminated by expiration, forfeiture or otherwise;
11. if any Person which is a party to any Financing Document (other than an Obligor) defaults in the performance of any condition or covenant in favour of Roynat, and such default continues for ten (10) days after written notice thereof to the Borrower by Roynat;
12. if Roynat considers in good faith that a Material Adverse Change has occurred or is about to occur; or,
13. if Roynat determines in its reasonable discretion upon receipt of the notification described in Section III, paragraph A.16 that the effect of the subject matter of such notice could reasonably be expected to have a material adverse effect.

The mere lapsing of the time allotted to an Obligor for fulfilling an obligation provided for in this Agreement or in any other Financing Document constitutes a default on the part of such Obligor, without any notification or formal notice being necessary.

B. Remedies

1. On the occurrence of an Event of Default:
 - (a) all the amounts owing by the Borrower under the Financing Documents shall, (i) at the option of Roynat, become immediately due and payable, and (ii) bear interest at the Default Rate;

- (b) Roynat may terminate the Borrower's right to use the Loan and to obtain Advances thereunder;
- (c) Roynat may immediately terminate one or more of the Financing Documents, in its discretion, without cost or penalty;
- (d) Roynat may carry out any obligation of any Obligor which such Obligor has failed to honour in the stead, place and at the expense of such Obligor; and
- (e) Roynat may exercise all the rights and recourses available to it under the Financing Documents and the law.

- 2. Notwithstanding paragraph IV. B.1 above, Roynat may, without prejudice to the option of subsequently exercising any right or recourse available to it, waive an Event of Default or grant time to remedy it or take other measures that would seem to be in its interest to take.

V. CONDITIONS PRECEDENT

The disbursement of the first Advance is subject to the delivery to Roynat of the following documents, in form and content acceptable to Roynat and to its legal advisors:

- 1. certified true copy of the governing documents of each Obligor;
- 2. certified true copy of a resolution of the board of directors of each Obligor;
- 3. certificate of attestation, certificate of compliance and any other similar certificate concerning each Obligor, issued by the competent authorities in all jurisdictions where Roynat holds security under the Security Documents;
- 4. delivery of all the Security Documents and confirmation that each Security Document has been registered in all applicable jurisdictions in order to grant them the priority provided for herein and to render each Security Document enforceable against third parties;
- 5. a certificate signed by each Obligor confirming certain facts related to the present financing;
- 6. copy of the certificate(s) (or, if required by Roynat, the policies) of insurance issued in favour of each Obligor, demonstrating that such Obligor took out the requisite insurance under this Agreement. Roynat reserves the right to hire an insurance consultant at the Borrower's expense for the purpose of reporting to it regarding the sufficiency of the insurance coverage of the Obligors, and Roynat must be satisfied that all the deficiencies

identified in the said report have been corrected in accordance with the consultant's recommendations;

- 7. in the event that any of the Security Documents include a fixed charge on Real Property:

- (a) (i) an up-to-date survey of the Real Property sent to Roynat, and (ii) an opinion on title issued by legal counsel acceptable to Roynat and forwarded to Roynat confirming that such Security Document creates a valid charge (ranking as required by the Offer of Finance) over the Real Property in favour of Roynat,

or

- (b) (i) a title insurance policy that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, or (ii) a commitment to insure that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, as well as confirmation from the title insurance company that the issuance of the policy is only conditional on payment of the premium and on confirmation of registration of the applicable Security Document in the appropriate land registry office;

- 8. search reports concerning the Liens encumbering the Collateral prepared by Roynat's legal advisors covering each applicable jurisdiction;
- 9. Roynat is fully satisfied with the quality, value, and eligibility of all assets to be financed;
- 10. proof that all the charges and fees payable by the Borrower under this Agreement have been paid; and
- 11. all other documents and information that Roynat may reasonably require.

VI. GENERAL CONDITIONS

A. Fixed Rate Conversion/ Extension Option

The following terms and conditions apply to any conversion or extension of a fixed rate Loan:

- 1. The Borrower must send Roynat a written request to this effect at least five (5) Business Days before

the conversion date or the expiry date of the fixed rate interest period then current.

2. No Event of Default exists at the time of the conversion or extension request.
3. Any conversion or extension as provided for herein shall be carried out at the entire discretion of Roynat. If Roynat agrees to follow up on the Borrower's request, Roynat shall send to the Borrower, within five (5) Business Days following receipt of the Borrower's request, written confirmation indicating:
 - (a) the interest rate applicable to the Loan in question;
 - (b) the length of the term during which the Loan will bear interest at a fixed rate;
 - (c) the effective date from which the Loan in question will bear interest at a fixed rate;
 - (d) any additional change to these presents required by Roynat following such conversion or extension; and
 - (e) the new repayment terms of the Loan in question following the conversion or extension, including the terms and conditions applicable to prepayment.
4. The conversion or extension of the Loan in question shall only take effect upon acceptance by the Borrower of the confirmation letter submitted by Roynat. A fee of \$1,000 shall apply.

B. Calculation of Interest

Interest is calculated on the basis of a 365-day year, except in the case where interest is calculated based on the US Variable Rate or the US Fixed Rate, in which case it is calculated on the basis of a 360-day year.

For the purposes of the *Interest Act* (Canada), the annual interest rate equivalent to the US Variable Rate or the US Fixed Rate is obtained, expressed in decimals, by multiplying such rate by a fraction where the numerator equals the number of days included in that year and where the denominator equals 360.

Notwithstanding any other provision of this Agreement or any other Financing Document, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved, collected or extracted under any of the Financing Documents would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada) or Section 8 of the *Interest Act* (Canada), or any successor or similar legislation, or would exceed the amounts which Roynat is legally entitled to charge and

receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received Roynat shall apply such excess against any amounts owing by the Borrower under the Financing Documents and refund any further excess amount.

C. Records

The records of any Advance or any repayment related hereto as well as the records of any interest, charges or other amounts owing under this Agreement or any other Financing Document, as held by Roynat, constitute *prima facie* proof of the Borrower's indebtedness to Roynat, as it may fluctuate from time to time.

D. Increased Costs and Taxes

If, because of a change to the applicable laws, regulations, rules or orders or because of measures taken in accordance with a guideline or requirement of an authority with which Roynat is bound to comply, Roynat incurs or shall incur increased costs or withstands or shall withstand a reduction in the return on capital related to a Loan, the Borrower must indemnify Roynat for such increased costs or reduced return. All payments pertaining to a Loan must be made free of any withholding tax or of any other current or future tax, rate or deduction.

E. Indemnification

Each Obligor undertakes to indemnify Roynat for any damages, claims, losses, liabilities or expenses borne or incurred by Roynat which can be attributed to the Loan or result directly or indirectly therefrom. Each Obligor undertakes to indemnify Roynat as well as its administrators, officers, employees, agents, successors and assigns and to side with it as regards any applications, lawsuits, judgments, damages, costs, losses or allegations of losses or claims suffered, imposed or incurred by Roynat and arising or resulting from damages caused to the environment by actions or omissions in the operation of its business or in the exercising of its activities or by the contamination of its properties or even by the contamination coming therefrom or any violation of the Environmental Laws, with the exception of claims resulting from the gross or intentional negligence of Roynat.

Each Obligor hereby further agrees to indemnify and hold harmless Roynat, to the fullest extent permitted by applicable law, for all losses and liabilities (including without limitation due to claims by a third party), incurred by Roynat as a result of any breach by the Obligor of its undertakings and representations contained in this Agreement with respect to Sanctions and/or due to any action taken by Roynat to enforce its rights under this indemnity. No action taken by Roynat pursuant to this

Agreement, including the grant of a Loan, issuance of any financial instruments thereunder or processing of any payments or transactions, nor any action taken by such Obligor in relation thereto, shall be deemed to be a waiver of any of Roynat's rights under any provisions of this Agreement related to Sanctions nor shall they act to relieve such Obligor of its obligations or liabilities in relation thereto.

F. Discontinuance of Benchmark Rate and Conforming Changes

Notwithstanding anything to the contrary in this Agreement or any other Financing Document, following a Discontinuation Event, Roynat may amend this Agreement and any other relevant Financing Document to replace the Benchmark Rate with a Replacement Rate for the next following Interest Period by providing the Borrower with notice thereof, following which the Borrower shall (a) if the relevant credit is an operating facility, have the right to prepay in full, without penalty, the outstanding principal balance under the affected credit plus any accrued interest on the amount prepaid at the end of the then current Interest Period, or (b) if the relevant credit is a term facility or revolving term facility, have the right to prepay the credit in full at the end of the then current Interest Period in accordance with the terms of prepayment set out in this Agreement, including any prepayment fees or penalties.

In connection with the implementation, use, adoption and administration of a Replacement Rate, Roynat will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Financing Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Financing Document.

G. Applicable Laws

This Agreement shall be governed and interpreted according to the laws of the Applicable Jurisdiction.

H. Successors and Assigns

This Agreement shall be binding on the parties hereto and their respective successors and assigns. Roynat is entitled to assign the Loan and the Financing Documents in whole or in part to any other Person without the Borrower's consent. The Borrower shall continue to do business with Roynat until Roynat advises the Borrower otherwise. Notwithstanding the foregoing, the Borrower is not entitled to assign its rights or obligations hereunder without the prior written consent of Roynat.

I. Sharing of Information

Roynat may communicate confidential information regarding the Obligors to any potential assignee of the Loan or part thereof in accordance with the terms hereof without incurring any liability.

J. Modification and Renunciation

Any change to or waiver of a provision of this Agreement shall not take effect unless it is in writing and signed by Roynat and each of the Obligors. The fact that Roynat does not exercise a right or recourse available to it under these presents, or delays in doing so, shall not constitute Roynat's waiver of such right or recourse.

K. Cancellation Rights

In addition to any repayment or other cancellation rights, pursuant to any applicable laws the Borrower might have with respect to a particular Loan, if the Borrower is an Eligible Enterprise (which is defined as a business with authorized credit of less than \$1,000,000, fewer than 500 employees and annual revenues of less than \$50,000,000), the Borrower may cancel one or more Loans within three (3) Business Days of entering into this Offer of Finance. If the Borrower notifies Roynat of cancellation of the applicable Loan within that time period, Roynat will acknowledge receipt of the cancellation notice and advise the Borrower of any reimbursement amounts to which the Borrower may be entitled. Roynat is not obliged to reimburse the Borrower or return amounts to the Borrower in relation to (a) any amounts related to the Borrower's use of any Loan prior to cancellation, and (b) any expense that Roynat has reasonably incurred in providing the Borrower with any Loan.

L. Notices

Any notice under the Financing Documents must be given in writing and hand delivered to the party concerned or be sent to it by prepaid registered mail or sent by fax or email, and the date of receipt of the said notice, if hand delivered, shall be considered its delivery date; if sent by mail as indicated above, the third (3rd) Business Day following the date it was sent and, if it is sent by fax or email, the transmission date if the transmission is done before 1:00 p.m. on a Business Day, and the Business Day following the transmission date in all other cases. The addresses of the parties hereto for the purposes of any notice are those written below their names on the signature pages of these presents or any other address that a party may indicate by means of a notice sent in the manner set out above.

M. Entire Agreement

This Agreement and the other Financing Documents constitute the entire contract between the parties to the Loan. There is no verbal declaration, promise or arrangement in respect of the Loan.

N. Exchange Rate

The conversion into Canadian Dollars of any amount owing by the Borrower in US\$ required for the purpose of obtaining a judgment is done on the Business Day preceding the judgment date.

In the event of a fluctuation in the exchange rate between the Business Day preceding the judgment date and the payment date, the Borrower shall pay to Roynat on demand (or, if need be, deducted from the payment) the necessary amount to ensure that the amount paid in Canadian dollars is equivalent to the amount owing in US\$, after the conversion, on the payment date. The Borrower's obligations under this paragraph constitute an additional obligation on top of its other obligations resulting from the judgment rendered against it.

O. Application of Payments

Should an Event of Default occur, Roynat shall apply all the amounts it receives regarding the secured obligations, unless it indicates otherwise in writing, firstly to the payment of the fees, charges and other expenses incurred by Roynat under these presents or under other Financing Documents; secondly to the payment of interest owing on the Loan; thirdly to the payment of principal on the Loan and fourthly to the payment of other secured obligations. After an Event of Default has occurred, Roynat shall have discretionary authority regarding the application of all the amounts it receives (including the proceeds from realizing on any security held by Roynat).

P. Paramountcy

In the event of an inconsistency between the provisions of this Offer of Finance and of any other agreement entered into or given by an Obligor in favour of Roynat, the terms of this Offer of Finance shall prevail to the extent of any such conflict.

Q. Novation

It is expressly understood and agreed between the parties that this Agreement does not create novation of the Loan and Roynat expressly reserves all its rights and recourses under the Loan and the Financing Documents. Except as expressly provided for herein, the Borrower's obligations with respect to the Loan will not be deemed to be amended, except in the manner provided for herein. This Agreement will not have the effect of releasing any Obligor from their obligations with respect to Roynat under the Loan or the Financing Documents.

R. Customer Care

Every Scotiabank branch is committed to providing prompt answers to any questions you may have about your account.

If you have a complaint or wish to access Scotiabank's complaint handling process, please contact your Bank Representative or visit us at:

<https://www.scotiabank.com/resolvingyourcomplaint>

Appendices to the Offer of Finance to 1000602770 Ontario Ltd.] dated August 14, 2023]

APPENDIX B

DESCRIPTION OF PROPERTY

REAL PROPERTY

A. Immovable/Real Freehold

225 Southgate Dr. Guelph ON

]

B. Leasehold

All leaseholds of the Borrower and Guarantor.

]

PERSONAL PROPERTY

“All present and after-acquired personal property of the Obligors including but not limited to furniture, fixtures and equipment owned by the Borrower and Guarantors.”

Appendices to the Offer of Finance to 1000602770 Ontario Ltd.] dated August 14, 2023]

**APPENDIX C
PRIVACY CONSENT**

Information

You and the undersigned, your individual principals, key employees and agents, shareholders and/or guarantors and persons otherwise connected with this Agreement (each, a "Principal") agree that in the process of providing services under this Agreement, we may collect, use and disclose certain personal and business information ("Information") from and about you and your Principals. Information may be collected from and disclosed to our agents, affiliates, third party service providers, credit bureaus, credit reporting agencies, other credit grantors, any person you and your Principals have or propose to have financial relations with as well as third parties who wish to become involved in the syndication of a loan, lease or other investment in which your Information is relevant, or who are involved in risk assessment, risk management or due diligence in the context of a financial transaction or proposed financial transaction. You authorize any person whom we contact in this regard to provide such Information to us.

Authorization

You and your Principals acknowledge that we may transfer your information to other offices within Roynat where we do business. As a result, Information may be accessible to regulatory authorities in accordance with the laws of those jurisdictions.

We may collect, use and disclose your and your Principals' Social Insurance Number ("SIN") or other personal identifiers to verify and report credit information to credit bureaus or credit reporting agencies as well as to confirm your and your Principals' identities. The provision of SIN is optional, and you may refuse to consent to the use and disclosure of your SIN for these purposes, other than as required by law.

We may share Information with other members of the Scotiabank Group (as defined in the Scotiabank Privacy Agreement found at scotiabank.com¹) so that these companies may tell you and the Principals directly about their products and services. Consent to this is not a condition of doing business with us and such consent may be withdrawn by you at any time. For more information, please refer to the Scotiabank Privacy Agreement, mentioned above.

Consent

By choosing to provide us with Information, you and your Principals are consenting to its use in accordance with the principles set out in the Scotiabank Privacy Agreement, a copy of which may be viewed and obtained at any time at roynat.com², and the terms and conditions set out above. To the extent any Information covered by this Agreement is about or relates to any Principals, you agree to obtain or permit us to obtain the written consent of such individuals to the collection, use and disclosure of their Information in accordance with this Agreement (which can include the execution of a copy of this Agreement) and will provide a copy of such signed, written request upon our request.

Individual
Signature: Charnjit Singh Grewal
Name: Charnjit Singh Grewal
Date: Aug 17th 2023

Individual
Signature: Daler Singh
Name: Daler Singh
Date: Aug 17th 2023

Individual
Signature: Parminder Singh Grewal
Name: Parminder Singh Grewal
Date: Aug 17th 2023

Individual
Signature: Panveer Singh Dania
Name: Panveer Singh Dania
Date: Aug 17th 2023

¹ Web address : <https://www.scotiabank.com/ca/en/about/contact-us/privacy/privacy-agreement.html>

² Web address: <https://www.roynat.com/ca/en/legal-privacy.html>

Appendices to the Offer of Finance to 1000602770 Ontario Ltd.] dated August 14, 2023]

APPENDIX E

INSURANCE BROKER CONTACT INFORMATION AND RELEASE

Please provide the following information for our records:

Insurance Broker: Brokerage Name: _____
 Contact Name: _____
 Address: _____
 Phone No.: _____ Fax No.: _____
 E-mail Address: _____

Please provide the following information if you would like to be copied on all correspondence addressed to your Broker from InTech Risk Management Inc.:

Contact Name: _____
 Please Copy via: Confidential Fax No.: _____
 Confidential E-mail: _____

You and/or your guarantors and persons otherwise connected with this Agreement, hereby authorize the above noted Broker to release insurance information required by Roynat Inc./Roynat Capital Inc. and their insurance risk management consultant, InTech Risk Management Inc., for this transaction.

You and/or your guarantors and persons otherwise connected with this Agreement, hereby authorize Roynat Inc./Roynat Capital Inc. to release information necessary to determine insurance requirements, as needed, to InTech Risk Management Inc. for the purposes of conducting an insurance review.

Borrower:

1000602770 Ontario Ltd

Per: Charansit Singh Grewal
 Name: CHARANSIT SINGH GREWAL
 Title: DIRECTOR

Per: Daler Singh
 Name: DALER SINGH
 Title: DIRECTOR

Guarantor:

Tristar Carriers Ltd

Per: Charansit Singh Grewal
 Name: CHARANSIT SINGH GREWAL
 Title: DIRECTOR

Per: Daler Singh
 Name: DALER SINGH
 Title: DIRECTOR

Roynat Inc.
1235 North Service Road W.
Suite 200
Oakville, ON
Canada L6M 2W2

T 1.905.337.6321
F 1.905.337.6355

Roynat Capital | Scotiabank

September 7, 2023

Confidential

1000602770 Ontario Ltd.
225 Southgate Dr.
Guelph, ON N1G 3M5

Attention: Mr. Panveer Singh Dania, Mr. Charnjit Singh Grewal, Mr. Parminder Singh Grewal, Mr. Daler Singh

RE: Amendment to Offer of Finance Dated August 14, 2023

Dear Sirs:

We refer to the Offer of Finance from Roynat Inc. ("**Roynat**" or "we") dated August 14, 2023, as has been subsequently amended (the "**Offer**"), to 1000602770 Ontario Ltd. ("**Borrower**" or "you"), and the security now held, as subsequently amended, or security which may in the future be held by Roynat from time to time under, pursuant to, or in connection with the Offer (the "**Security**").

We are pleased to confirm, subject to your acceptance hereunder and subject to confirmation satisfactory to Roynat that changes have been made to the Security as may be considered necessary by Roynat and its legal counsel, that the following amendments to the Offer will apply:

1. **CONFIRM** the term of the loan is two years.
2. **CONFIRM** the repayment schedule for Loan 1 (Tranche 1) as follows:

| Number of payments | Amount of principal | Frequency | Due On | Ending On | Total \$ |
|--------------------|---------------------|-----------|------------|-----------|-------------|
| 12 | \$9,750 | Monthly | 15-Sept-23 | 15-Aug-24 | \$117,000 |
| 11 | \$10,850 | Monthly | 15-Sept-24 | 15-Jul-25 | \$119,350 |
| 1 | \$6,413,650 | Once | 15-Aug-25 | 15-Aug-25 | \$6,413,650 |
| Total: | | | | | \$6,650,000 |

3. **CONFIRM** the repayment schedule of Loan 2 (Tranche 2) as follows:

Any Advance under Tranche 2 will be repayable in monthly installments of principal calculated based on an amortization of 20 years (step-blended), with such payments commencing on the 15th day of the month following advance, and payment of the balance outstanding due on August 15th, 2025.

4. **DELETE** the requirement for business interruption insurance for Tristar Carriers Ltd.

Electronic Communication

In administering the financing described in the Offer and in otherwise dealing with the Borrower and Guarantors, Roynat may rely and act on e-mail, telecopier and other electronic communications that it reasonably believes have been sent by or on behalf of the Borrower and Guarantors, but Roynat may from time to time require that communications from the Borrower and Guarantors, be in a non-electronic form specified by Roynat.

Except for the specific amendments noted above, all other terms and conditions of the Offer and Security remain as stated or as previously amended. Any legal fees we may incur as a result of the above shall be for your account.

Kindly acknowledge your acceptance of the foregoing by signing and returning a copy of this letter to our office by September 7, 2023 after which date this letter will lapse unless Roynat, in its sole discretion accepts it nonetheless.

This document and any related Security and other related documents may be executed in counterparts and by different parties in different counterparts, all of which when taken together will constitute a single agreement. Delivery of an executed counterpart of a document or a signature page to a document by telecopy or by sending a scanned or other copy by electronic mail or similar means shall be as effective as delivery of an originally executed counterpart. Roynat may create and store copies of documents in any form as part of its business records, including by microfilm, photocopy and electronic image. Copies may be held in place of original documents and substituted for original documents for any purpose.

Yours truly,

Roynat Inc.

Per: Elaine Broitman
Elaine Broitman
Associate

Per: Winston Shariff
Winston Shariff
Director & District Manager

Address: 1235 North Service Rd. W., Suite 200, Oakville, ON, L6M 2W2
Attention: Elaine Broitman
E-mail: elaine.broitman@roynat.com

ACCEPTED this 7 day of September 2023

Borrower:
1000602770 Ontario Ltd.

Guarantor:
Tristar Carriers Ltd

Per: [Signature]
Name: PANVEER SINGH
Title: DIRECTOR

Per: [Signature]
Name: PANVEER SINGH
Title: DIRECTOR

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Attention: _____
Fax: _____
E-mail: _____

Attention: _____
Fax: _____
E-mail: _____

and by Personal Guarantors:

Signature: [Signature]
Name: Charnjit Singh Grewal

WITNESS: [Signature]
Signature: _____
Name: Tilak Khanal

Address: _____

Fax: _____
E-mail: _____

Signature: Daler Singh
Name: Daler Singh

WITNESS: [Signature]
Signature: _____
Name: Tilak Khanal

Address: _____

Fax: _____
E-mail: _____

and by Personal Guarantors:

Signature: Parminder Singh Grewal
Name: **Parminder Singh Grewal**

Address:

Fax: _____
E-mail: _____

Signature: Panveer Singh Dania
Name: **Panveer Singh Dania**

Address:

Fax: _____
E-mail: _____

WITNESS

Signature: Tilak Khanal

Name: **Tilak Khanal**

WITNESS

Signature: Tilak Khanal

Name: **Tilak Khanal**

Roynat Inc.
1235 North Service Road W.
Suite 200
Oakville, ON
Canada L6M 2W2

T 1.905.337.6321
F 1.905.337.6355

Roynat Capital. | Scotiabank

September 8, 2023

Confidential

1000602770 Ontario Ltd.
225 Southgate Dr.
Guelph, ON N1G 3M5

Attention: Mr. Panveer Singh Dania, Mr. Charnjit Singh Grewal, Mr. Parminder Singh Grewal, Mr. Daler Singh

RE: Amendment to Offer of Finance Dated August 14, 2023

Dear Sirs:

We refer to the Offer of Finance from Roynat Inc. ("**Roynat**" or "we") dated August 14, 2023, as has been subsequently amended (the "**Offer**"), to 1000602770 Ontario Ltd. ("**Borrower**" or "you"), and the security now held, as subsequently amended, or security which may in the future be held by Roynat from time to time under, pursuant to, or in connection with the Offer (the "**Security**").

We are pleased to confirm, subject to your acceptance hereunder and subject to confirmation satisfactory to Roynat that changes have been made to the Security as may be considered necessary by Roynat and its legal counsel, that the following amendments to the Offer will apply:

1. **PERMIT** the advance of tranche 1 of \$6,650,000 with an undertaking to receive BMO priority agreement within 30 days post-closing.

Electronic Communication

In administering the financing described in the Offer and in otherwise dealing with the Borrower and Guarantors, Roynat may rely and act on e-mail, telecopier and other electronic communications that it reasonably believes have been sent by or on behalf of the Borrower and Guarantors, but Roynat may from time to time require that communications from the Borrower and Guarantors, be in a non-electronic form specified by Roynat.

Except for the specific amendments noted above, all other terms and conditions of the Offer and Security remain as stated or as previously amended. Any legal fees we may incur as a result of the above shall be for your account.

Kindly acknowledge your acceptance of the foregoing by signing and returning a copy of this letter to our office by September 8, 2023 after which date this letter will lapse unless Roynat, in its sole discretion accepts it nonetheless.

This document and any related Security and other related documents may be executed in counterparts and by different parties in different counterparts, all of which when taken together will constitute a single agreement. Delivery of an executed counterpart of a document or a signature page to a document by telecopy or by sending a scanned or other copy by electronic mail or similar means shall be as effective as delivery of an originally executed counterpart. Roynat may create and store copies of documents in any form as part of its business records, including by microfilm, photocopy and electronic image. Copies may be held in place of original documents and substituted for original documents for any purpose.

Yours truly,

Roynat Inc.

Per: *Elaine Broitman*
Elaine Broitman
Associate

Per: *Winston Shariff*
Winston Shariff
Director & District Manager

Address: 1235 North Service Rd. W., Suite 200, Oakville, ON, L6M 2W2
Attention: Elaine Broitman
E-mail: elaine.broitman@roynat.com

ACCEPTED this 8 day of September 2023

Borrower:
1000602770 Ontario Ltd.

Guarantor:
Tristar Carriers Ltd

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Per: Daler Singh
Name: DALER SINGH
Title: DIRECTOR

Per: CHARNJI GREWAL
Name: CHARNJI GREWAL
Title: DIRECTOR

Per: Charnjit Grewal
Name: CHARNJI GREWAL
Title: DIRECTOR

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Address:
225 Southgate Dr
Guelph, Ontario, N1G 3M5

Attention: _____
Fax: _____
E-mail: _____

Attention: _____
Fax: _____
E-mail: _____

and by Personal Guarantors:

Signature: Charnjit Grewal
Name: Charnjit Singh Grewal

WITNESS: Tilak Khand
Signature: _____
Name: Tilak Khand

Address: _____

Fax: _____
E-mail: _____

Signature: Daler Singh
Name: Daler Singh

WITNESS: Tilak Khand
Signature: _____
Name: Tilak Khand

Address: _____

Fax: _____
E-mail: _____

and by Personal Guarantors:

Signature: Parminder Singh Grewal
Name: **Parminder Singh Grewal**

Address:

Fax: _____
E-mail: _____

Signature: Panveer Singh
Name: **Panveer Singh Dania**

Address:

Fax: _____
E-mail: _____

WITNESS

Signature: Tilak Khanna

Name: **Tilak Khanna**

WITNESS

Signature: Tilak Khanna

Name: **Tilak Khanna**

Roynat Inc.
1235 North Service Road W
Suite 200
Oakville, ON L6M 2W2

T 1.905.337.6321 F 1.905.337.6355

Roynat Capital | **Scotiabank**

May 6, 2024

Confidential

1000602770 Ontario Ltd.
225 Southgate Dr.
Guelph, ON N1G 3M5

Attention: Mr. Panveer Singh Dania, Mr. Charnjit Singh Grewal, Mr. Parminder Singh Grewal
and Mr. Daler Singh

RE: Notification of Changes to Offer of Finance Dated August 14, 2023

Dear Sirs:

We are writing to you regarding important changes required in your borrowing arrangements with Roynat.

We refer to the Offer of Finance from Roynat Inc. (“**Roynat**” or “we”) dated August 14, 2023, (as may have been amended since that date, the “**Offer of Finance**”), to 1000602770 Ontario Ltd. (“**Borrower**” or “you”), and the other Financing Documents (as such term is defined in the Offer of Finance) now held (as they may have been subsequently amended), or which may in the future be held by Roynat from time to time pursuant to or in connection with the Offer of Finance.

On May 16, 2022, Refinitiv Benchmark Services (UK) Limited, the administrator of the Canadian Dollar Offered Rate (“**CDOR**”), announced that it would permanently cease the calculation and publication of all tenors of CDOR following a final publication on Friday, June 28, 2024. With the pending cessation of CDOR, loan market participants are now referencing the Canadian Overnight Repo Rate Average (“**CORRA**”) instead of CDOR.

Roynat’s Canadian Variable Rate is calculated with reference to CDOR. In order to address the pending cessation of CDOR and the transition to CORRA, Roynat has made amendments to the Offer of Finance to (i) replace CDOR with Term CORRA in the calculation of the Canadian Variable Rate, and (ii) make certain Conforming Changes (as such term is defined in the Offer of Finance).

The Offer of Finance is amended as follows, effective commencing on June 8, 2024 (the “**Effective Date**”):

DELETE: Appendix A Standard Terms and Conditions forming part of the Offer of Finance prior to the Effective Date is deleted in its entirety.

ADD: Appendix A Standard Terms and Conditions attached as Schedule 2 to this letter is added to and now forms part of the Offer of Finance from and after the Effective Date.

For your ease of reference we have summarized the amendments to Appendix A in Schedule 1 attached to this letter. The updated Appendix A is attached in its entirety as Schedule 2 to this letter.

In accordance with the Offer of Finance, Roynat may amend the Offer of Finance to replace CDOR with Term CORRA by providing notice of same to the Borrower. This letter constitutes such notice, and the amendments referred to above require no action on your part.

Except for the specific amendments noted above, all other terms and conditions of the Offer of Finance and the other Financing Documents remain as stated or as previously amended.

If you have any questions in connection with this notice, please contact your relationship manager.

Yours truly,

Roynat Inc.

Per: A. Martin
Name: Andrew Martin
Title: Associate

E-mail: andrew.martin@roynat.com

Per: Winston Shariff
Name: Winston Shariff
Title: Director & District Manager

Schedule 1

Summary of Principal Amendments Made to Appendix A to the Offer of Finance

| APPENDIX A STANDARD TERMS AND CONDITIONS | |
|---|--------------------|
| Item | Description |
| I. INTERPRETATION | |
| A. Definitions | |
| Benchmark Rate | Definition revised |
| Canadian Variable Rate | Definition revised |
| Conforming Changes | Definition revised |
| CORRA | Definition added |
| CORRA Relevant Governmental Body | Definition added |
| Credit Adjustment Spread | Definition revised |
| Daily Compounded CORRA | Definition added |
| Daily Simple SOFR | Definition added |
| Discontinuation Event | Definition revised |
| Floor | Definition added |
| Prime Rate | Definition added |
| Reference Period | Definition revised |
| Replacement Rate | Definition revised |
| SOFR Administrator | Definition added |
| SOFR Administrator's Website | Definition added |
| SOFR Relevant Governmental Body | Definition added |
| Term CORRA | Definition added |
| Term CORRA Administrator | Definition added |
| Term CORRA Reference Rate | Definition added |
| Term SOFR | Definition revised |
| US Central Bank Rate | Definition deleted |
| US Central Bank Rate Adjustment | Definition deleted |
| US Variable Rate | Definition revised |
| | |
| D. Rates | Section added |

Schedule 2

**APPENDIX A
STANDARD TERMS AND CONDITIONS**

[see attached]

Appendices to the Offer of Finance to 1000602770 Ontario Ltd. dated August 14, 2023

**APPENDIX A
STANDARD TERMS AND CONDITIONS**

I. INTERPRETATION

A. Definitions

In this Agreement, unless otherwise defined in the Financing Terms and Conditions or otherwise required by context:

1. “\$” means the legal currency in Canada.
2. “**Advance**” means any advance of funds made by Roynat under this Agreement.
3. “**AML Legislation**” is defined in Section III of this Appendix A Standard Terms and Conditions.
4. “**Anti-Terrorist Financing and Anti-Money Laundering Laws**” means all applicable law concerning or related to money laundering or financing terrorism and which are applicable to Roynat, any Obligor or any affiliate thereof, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).
5. “**Authority**” means an administrative body that regulates and/or publishes the relevant Benchmark Rate, including any applicable governmental or regulatory body that has the direct or indirect ability to determine whether or not a Benchmark Rate shall be generally used in the market and/or published.
6. “**Benchmark Rate**” means any interest rate, fee or charge in a Financing Document that is based on or equivalent to a standard regularly published rate and includes, for greater certainty, Term SOFR Reference Rate, Daily Simple SOFR, Term CORRA Reference Rate and Daily Compounded CORRA, as applicable.
7. “**Business Day**” means a day (other than a Saturday or Sunday) during which banks and stock markets are open in Toronto (Canada) and, in the case of drawings in US\$, in New York (USA).
8. “**Canadian Variable Rate**” means, subject to availability, for a given Reference Period, the annual variable interest rate that Roynat establishes from time to time as a reference rate it uses in Canada to determine the interest rates applicable to Canadian Dollar commercial loans granted in

Canada and which corresponds to the rate determined as follows:

- (a) initially, the arithmetic mean (rounded to three decimal points) of Term CORRA during such Reference Period, plus 0.50% per annum, plus the Credit Adjustment Spread;
- (b) if a Discontinuation Event has occurred with respect to the Term CORRA Reference Rate, the arithmetic mean (rounded to three decimal points) of Daily Compounded CORRA during such Reference Period, plus 0.50% per annum, plus the Credit Adjustment Spread; or
- (c) if a Discontinuation Event has occurred with respect to both the Term CORRA Reference Rate and Daily Compounded CORRA, the arithmetic mean (rounded to three decimal points) of the Prime Rate during such Reference Period;

provided that:

- (i) if a Discontinuation Event has occurred with respect to one or both of the Term CORRA Reference Rate and Daily Compounded CORRA within such Reference Period, the Canadian Variable Rate for such Reference Period shall be the arithmetic mean (rounded to three decimal points) of the interest rates referred to and applied in accordance with paragraphs (a), (b) and (c) above; and
- (ii) if the Canadian Variable Rate as so determined shall ever be less than the Floor, then the Canadian Variable Rate shall be deemed to be the Floor.

Roynat shall provide an invoice or other billing information to the Borrower each month indicating the Canadian Variable Rate then in effect and the Canadian Variable Rate applicable to the Interest Period referenced in such invoice or other billing.

9. “**Canadian Fixed Rate**” means the annual interest rate established by Roynat from time to time as being its reference rate for a fixed rate term loan having a term approximately equal to the term chosen by the Borrower which is granted by

Roynat to its clients in Canadian dollars and which Roynat refers to as being its base Canadian fixed rate for the applicable term.

10. “**Client Information**” is defined in Section III of this Appendix A Standard Terms and Conditions.
11. “**Collateral**” means the property of the Obligors which is encumbered in favour of Roynat under the Security Documents.
12. “**Conforming Changes**” means, with respect to either the use or administration of Term SOFR Reference Rate, Term CORRA Reference Rate, Daily Simple SOFR or Daily Compounded CORRA, or the use, administration, adoption or implementation of any other Benchmark Rate, any technical, administrative or operational changes (including changes to the definition of “Business Day,” the definition of “Interest Period”, the definition of “Reference Period”, or any similar or analogous definition, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that Roynat decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Roynat in a manner substantially consistent with market practice (or, if Roynat decides that adoption of any portion of such market practice is not administratively feasible or if Roynat determines that no market practice for the administration of any such rate exists, in such other manner of administration as Roynat decides is reasonably necessary in connection with the administration of this Agreement and the other Financing Documents).
13. “**Contaminant**” means any solid, liquid, gas, odour, heat, sound, smoke, waste, vibration, radiation or combination of any of them resulting directly or indirectly from human activities that may cause: (i) impairment of the quality of the natural environment for any use that can be made of it, (ii) injury or damage to property or to plant or animal life, (iii) harm or material discomfort to any person, (iv) an adverse effect on the health of any person, (v) impairment of the safety of any person, (vi) rendering any property or plant or animal life unfit for use by man, (vii) loss of enjoyment of normal use of property, or (viii) interference with the normal conduct of business, and includes any pollutant or contaminant as defined in any applicable Environmental Laws and any

biological, chemical or physical agent which is regulated, prohibited, restricted or controlled.

14. “**Control**” means the holding by a Person, directly or indirectly, other than as security, of the shares of a legal Person giving it the right to elect the majority of its directors.
15. “**CORRA**” means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).
16. “**CORRA Relevant Governmental Body**” means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.
17. “**Credit Adjustment Spread**” means:
 - (a) in determining the Canadian Variable Rate, a percentage equal to 0.295% per annum; or
 - (b) in determining the US Variable Rate, a percentage equal to 0.10% per annum,or, in each of (a) and (b) above, such lesser percentage per annum as determined by Roynat from time to time taking into account prevailing market practices.
18. “**Daily Compounded CORRA**” means, for any particular day in a given Reference Period, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by Roynat in accordance with the methodology and conventions for this rate selected or recommended by the CORRA Relevant Governmental Body for determining compounded CORRA for business loans; provided that if Roynat decides that any such convention is not administratively feasible for Roynat, then Roynat may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Discontinuation Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.
19. “**Daily Simple SOFR**” means, for any particular day in a given Reference Period, SOFR, with the conventions for this rate (which will include a lookback) being established by Roynat in

- accordance with the conventions for this rate selected or recommended by the SOFR Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided that if Roynat decides that any such convention is not administratively feasible for it, then Roynat may establish another convention in its reasonable discretion.
20. “**Default Rate**” means the interest rate otherwise applicable to the Loan plus three percent (3%) per annum.
21. “**Discontinuation Event**” means, in respect of any Benchmark Rate, (i) an announcement by or on behalf of an Authority that such Benchmark Rate will no longer be used or published, (ii) such Benchmark Rate is not published for five (5) consecutive Business Days and such failure is not reasonably believed to be temporary in nature, or (iii) the Authority has invoked its insufficient submissions policy or any policy of similar effect with respect to such Benchmark Rate.
22. “**Distribution**” means, in respect of a Person, any form of direct or indirect payment or non-cash distribution of any of its assets made by such Person to a shareholder, unit holder, director or officer of such Person (including, without limitation, a distribution or share redemption that reduces the net worth of such Person, a dividend (other than share dividend payments) and the payment of advances (in principal or interest) owing to a third party who is a manager or employee of such Person or someone having ties thereto), but excluding the salaries paid during the normal course of business.
23. “**Environmental Laws**” means the common law and all applicable federal, provincial, local, municipal, governmental or quasi-governmental laws, rules, regulations, policies, guidelines, licences, orders, permits, decisions or requirements concerning Contaminants, occupational or public health and safety or the environment and any other order, injunction, judgment, declaration, notice or demand issued thereunder.
24. “**Equipment**” means, with respect to an Obligor, its present and future materials and equipment, particularly, without limitation, all the tools, instruments, furniture and vehicles.
25. “**Equivalent Amount**” means, on a given date, the amount in \$ or in US\$, whichever the case, resulting from the conversion of an amount into US\$ or in another currency into \$ or of an amount into \$ or in another currency into US\$, respectively, at the noon spot exchange rate of the Bank of Canada for buying US\$ or another currency through \$ or for buying \$ or another currency through US\$, respectively, listed, published or otherwise announced by the Bank of Canada on that date.
26. “**Event of Default**” means any event of default described in under the heading “Events of Default” in this Appendix “A” Standard Terms and Conditions.
27. “**Financing Documents**” means, collectively, this Agreement, the Security Documents and all present and future documents, instruments, certificates and contracts delivered by an Obligor in favour of Roynat whether pursuant to this Agreement or otherwise.
28. “**Floor**” means the rate per annum of interest equal to 0%.
29. “**GAAP**” means the generally accepted accounting principles in effect from time to time in Canada, as established, set out or adopted by the Canadian Institute of Chartered Accountants or any successor body, applied consistently from one fiscal period to another, including the International Financial Reporting Standards and Accounting Standards for Private Enterprise.
30. “**Interest Period**” means each monthly period commencing on the 15th day of a month and ending on the 14th day of the following month.
31. “**Laws and Rules**” means as applicable to any Person or product or service contemplated herein (“**Service**”): (a) the laws, statutes, codes, acts, ordinances, orders, regulations, directives, guidelines, and other requirements of all domestic and foreign governmental and regulatory authorities having jurisdiction over the Person or Service (including the Office of the Superintendent of Financial Institutions (Canada) and any Province, Territory or other government of Canada) and (b) the rules, standards, conditions, and other requirements of any clearing and payment systems or other financial intermediaries applicable to the Person or Service (including Rule H-1 and Rule F-1 of the Payments Canada applicable to cash management pre-authorized debits); each as may be amended or replaced from time to time.
32. “**Lien**” means, any mortgage, debenture, deed of trust, lien, pledge, conventional hypothec, legal hypothec, encumbrance, prior claim, right of retention, fixed or floating charge, assignment for

security purposes, consignment, security interest, royalty interest, adverse claim or defect of title, encumbering or affecting any property whatsoever, whether movable or immovable, real or personal, tangible or intangible, presumed or deemed trust, or other right benefitting its bearer, any conditional sales contract, capital lease (or financial lease) or any other rental agreement required to appear on the balance sheet as a lease contract and any other arrangement having the effect of providing security.

33. “**Material Adverse Change**” means a material adverse change, individually or collectively, in the activities, assets, liabilities, financial situation or operating results of an Obligor or a change having or which may have, in Roynat’s opinion, an adverse effect on an Obligor’s ability to fulfill its obligations under this Agreement or under any other Financing Documents or on the validity or enforceability of any of the Security Documents.

34. “**Obligors**” means the Borrower, each Guarantor, if any, and any other Person that from time to time guarantees the obligations of the Borrower to Roynat, and “**Obligor**” means any one of them.

35. “**OFAC**” means The Office of Foreign Assets Control of the United States Department of the Treasury.

36. “**Person**” means, depending on the context, any legal person, natural person, corporation or other body corporate, joint venture, company, limited liability company, partnership, agency, trust, instrumentality, unincorporated body of persons, association, government or government body or other entity.

37. “**Permitted Liens**” means, at a given time, one or several of the following:

(a) a reserve set out in an original grant from the Crown of land or of rights in and over land, a reserve imposed by law on a title or with respect to mining rights set out in a grant from the Crown or from a predecessor in title;

(b) a servitude or a right of passage for a public service, an encroachment, a right of view or other right, including, without limiting the generality of the foregoing, for sewers, drains, gas and water lines, conveyance of steam, conduits, streetlight, hydro, telephone or telegraph wires and poles, pipelines or a zoning restriction regarding the use of an immovable of an Obligor, which will

have no major adverse impact on the use for which said immovable is intended and which will not materially affect any Lien on such immovable;

(c) a Lien on taxes, rates or other charges imposed by government authorities which are not yet due or, if they are due, the validity of which is contested diligently and in good faith by an Obligor or on its behalf by means of legal proceedings duly instituted, provided that the action pertaining to their application was not the subject of an unappealable final decision and that sufficient provision has been made for paying them, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(d) a Lien resulting from a judgment rendered or from a claim brought against an Obligor, which such Obligor contests diligently and in good faith by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(e) a Lien of a stakeholder in the construction or renovation of any immovable whatsoever, provided that the said Lien is securing an obligation of an Obligor which is not overdue or which has not been neglected by such Obligor or, if the obligation is overdue or such Obligor has failed to fulfill it, provided that such Obligor brings an action within fifteen (15) days of its publication in view of its cancellation or elimination, unless such Obligor or a third party acting on its behalf does not diligently and in good faith contest the validity of the Lien by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(f) purchase money security interests consisting of any validly perfected charge, lien, security interest or other encumbrance, created, assumed or arising by operation of law after the date hereof,

- to provide or secure the whole or any part of the consideration for the acquisition of tangible personal property other than Inventory, where
- (i) the principal amount secured thereby does not exceed the cost to the applicable Obligor of such property,
 - (ii) the applicable Obligor's obligation to repay is secured only by the property so acquired by such Obligor,
 - (iii) the property is not being acquired as a replacement or substitution for property and assets which are specifically charged hereby, and
 - (iv) such security includes the renewal or refinancing of any such purchase money security interest on the same property provided that the indebtedness secured and the security therefor is not increased and remains validly perfected;
- (g) a minor title defect;
 - (h) a Lien granted in favour of Roynat;
 - (i) any other Lien consented to in writing by Roynat from time to time.
38. **"Prime Rate"** means, for any particular day in a given Reference Period, the rate of interest per annum determined from time to time by The Bank of Nova Scotia as its prime commercial lending rate for loans in Canadian Dollars in effect at its principal office in Toronto on such day.
39. **"Real Property"** means the real and immovable property of the Obligors, if any, including as described in **Appendix B.**
40. **"Reference Period"** means, with respect to any Interest Period, the period commencing on the 8th day of the month in which such Interest Period commences and ending on the 7th day of the month in which the Interest Period ends, except that if the rate of interest hereunder is being determined:
- (a) for the purpose of prepayment by the Borrower, the Reference Period shall end on the 7th day preceding the prepayment date;
- (b) for any other purpose, other than the payment of interest on the day following an Interest Period, the Reference Period shall end on the day preceding the day on which the rate is being determined and the following Reference Period shall commence on such day and end on the next following 7th day of a month.
41. **"Replacement Rate"** means an alternate interest rate, fee, or charge, including any positive or negative spread adjustment or method for determining such spread adjustment selected by Roynat, acting reasonably, in each case giving due consideration to any market convention for similar credit facilities; provided that the Replacement Rate (together with any applicable spread) shall not be less than the Floor for the purposes of any Financing Documents.
42. **"Sanctions"** means any trade, economic or financial sanctions, laws, regulations, executive orders, embargoes or restrictive measures imposed, administered or enforced by a Sanctions Authority.
43. **"Sanctions Authority"** means any one or a combination of:
- (a) the United Nations;
 - (b) the United States of America;
 - (c) Canada;
 - (d) the United Kingdom and each respective member of the European Union; and
 - (e) the governments and official institutions or agencies of any of paragraphs (a) to (d) above, including the Security Council of the United Nations, OFAC, the United States Department of State, Global Affairs Canada and Her Majesty's Treasury of the United Kingdom.
44. **"Sanctioned Country"** means at any time a country, region or territory which itself is the subject or target of any Sanctions.
45. **"Sanctioned Person"** means a Person that is, or is directly or indirectly owned or controlled by, a Person or Persons listed, designated, or sanctioned under any Sanctions or any Person operating, organized or resident in a Sanctioned Country.
46. **"SOFR"** means a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor

- administrator of the secured overnight financing rate).
47. “**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).
48. “**SOFR Administrator's Website**” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.
49. “**SOFR Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.
50. “**Term CORRA**” means, for any particular day in a given Reference Period (the “**Specific Term CORRA Day**”), the Term CORRA Reference Rate for a tenor comparable to such Reference Period on the day (such day, the “**Periodic Term CORRA Determination Day**”) that is two (2) Business Days prior to the Specific Term CORRA Day, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Discontinuation Event with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day.
51. “**Term CORRA Administrator**” means Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.
52. “**Term CORRA Reference Rate**” means the forward-looking term rate based on CORRA.
53. “**Term SOFR**” means, for any particular day in a given Reference Period (the “**Specific Term SOFR Day**”), the Term SOFR Reference Rate for a tenor comparable to such Reference Period on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the Specific Term SOFR Day, as such rate is published by the Term SOFR Administrator (“**Term SOFR Screen Rate**”); provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Discontinuation Event with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day.
54. “**Term SOFR Administrator**” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Roynat in its reasonable discretion).
55. “**Term SOFR Reference Rate**” means the forward-looking term rate based on SOFR.
56. “**U.S. Government Securities Business Day**” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.
57. “**US\$**” or “**US Dollar**” means the legal currency in the United States of America.
58. “**US Fixed Rate**” means the annual interest rate established by Roynat from time to time as being its reference rate for a fixed rate term loan having a term approximately equal to the term chosen by the Borrower which is granted by Roynat to its clients in US\$ and which Roynat refers to as being its base US\$ fixed rate for the applicable term.
59. “**US Variable Rate**” means, subject to availability, for a given Reference Period, the annual variable interest rate that Roynat establishes from time to time as a reference rate it uses in Canada to determine the interest rates applicable to US\$

commercial loans granted in Canada and which corresponds to the rate determined as follows:

- (a) initially, the arithmetic mean (rounded to three decimal points) of Term SOFR during such Reference Period, plus 0.50% per annum, plus the Credit Adjustment Spread; or
- (b) if a Discontinuation Event has occurred with respect to the Term SOFR Reference Rate, the arithmetic mean (rounded to three decimal points) of Daily Simple SOFR during such Reference Period, plus 0.50% per annum, plus the Credit Adjustment Spread;

provided that:

- (i) if a Discontinuation Event has occurred with respect to one or both of the Term SOFR Reference Rate and Daily Simple SOFR within such Reference Period, the US Variable Rate for such Reference Period shall be the arithmetic mean (rounded to three decimal points) of the interest rates referred to and applied in accordance with paragraphs (a) and (b) above; and
- (ii) if the US Variable Rate as so determined shall ever be less than the Floor, then the US Variable Rate shall be deemed to be the Floor.

Roynat shall provide an invoice or other billing information to the Borrower each month indicating the US Variable Rate then in effect and the US Variable Rate applicable to the Interest Period referenced in such invoice or other billing.

B. Application of GAAP

In the event any corporate Obligor adopts any change in its policies, practices or accounting methods compared to those applied during the previous fiscal year, such Obligor shall send to Roynat any information required to ensure that the financial information provided after such change is comparable to the financial information presented in the past. In addition, all the calculations done for the purposes of the present Offer of Finance shall continue to be done according to the policies, practices and accounting methods in effect on the date of the most recent fiscal year end. In the event of such change to the policies, practices or accounting methods, Roynat reserves the right to (a) take immediate measures arising from the violations of the financing conditions or of any other term or condition set out in the present Offer of Finance which the application of the

policies, practices or accounting methods revealed, and (b) at its discretion and in a reasonable manner, modify the financing conditions affected by the change.

C. Other Interpretation

In this Agreement, unless otherwise specified or the context otherwise requires, (i) “including” or “includes” means “including (or includes) but is not limited to” and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section of it is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and vice-versa and words in one gender include all genders.

D. Rates

Roynat does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to CORRA, Term CORRA, Term CORRA Reference Rate, Daily Compounded CORRA, SOFR, Term SOFR, Term SOFR Reference Rate or Daily Simple SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Replacement Rate), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Replacement Rate) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, CORRA, Term CORRA, Term CORRA Reference Rate, Daily Compounded CORRA, SOFR, Term SOFR, Term SOFR Reference Rate of Daily Simple SOFR, or any other Benchmark Rate prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. Roynat and its affiliates or other related entities may engage in transactions that affect the calculation of CORRA, Term CORRA, Term CORRA Reference Rate, Daily Compounded CORRA, SOFR, Term SOFR, Term SOFR Reference Rate or Daily Simple SOFR, or any alternative, successor or replacement rate (including any Replacement Rate) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. Roynat may select information sources or services in its reasonable discretion to ascertain CORRA, Term CORRA, Term CORRA Reference Rate, Daily Compounded CORRA, SOFR, Term SOFR, Term SOFR Reference Rate or Daily Simple SOFR, or any other Benchmark Rate, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in

equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

II. REPRESENTATIONS AND WARRANTIES

Each Obligor (as applicable) makes the representations and provides the following warranties to Roynat, which are a valid on the date of each Advance under the Loan and on any subsequent date referred to in any of the said representations or warranties made to Roynat on the date hereof:

1. It is a corporation, partnership or trust, as applicable, duly constituted, validly existing, in good standing and having the necessary capacity, power and authority to carry out its activities and sign each of the Financing Documents;
2. Each of the Financing Documents has been or will be duly authorized and constitutes or will constitute its legally valid and binding obligation;
3. The authorization, creation, execution and delivery of each of the Financing Documents and compliance with their terms:
 - (a) does not and will not contravene any applicable law, regulation, rule, order, judgment or injunction or the articles, by-laws or any unanimous shareholders' agreement binding on it;
 - (b) does not and shall not result in a breach or a default under any indenture, instrument, lease, agreement or undertaking to which it is a party or by which it or its Collateral may become bound;
4. It, as well as its business and its activities, are in compliance, in all material respects, with all of the applicable laws;
5. It has filed on time all its tax returns and all the reports and statements it is to file and has paid, on time, all the taxes due and payable by their due date at the latest;
6. It owns or will own the Collateral, free and clear of any Lien, with the exception only of the Permitted Liens;
7. All the information and documentation (financial or otherwise) provided by it to Roynat are true and accurate in all material respects and this information and documentation does not contain any material misstatement of fact or any omission of an important fact that is necessary to ensure that the information and documentation is not misleading, and there are no facts that it has not disclosed in writing to Roynat which could constitute a Material Adverse Change;
8. There has been no Material Adverse Change since the date of the last financial statements submitted by it to Roynat in accordance herewith and no situation has occurred that has constituted or could constitute a Material Adverse Change;
9. There is no Event of Default and, after due diligence, no Event of Default is imminent;
10. Its chief executive office is located at the address indicated below its signature on the page of its acceptance of this Agreement;
11. Except as disclosed in writing to Roynat, no action, lawsuit, arbitration proceeding or any other legal proceeding is in process against the Obligor nor, to its knowledge, after due diligence, is imminent;
12. Except as disclosed in writing to Roynat, it does not carry on business under any trade or business name, and does not own any Collateral or carry on any material business in any jurisdiction other than the Applicable Jurisdiction;
13. Except as disclosed in writing to Roynat:
 - (a) It currently conducts and maintains its business, operations and the Collateral so as to comply in all respects with all applicable Environmental Laws, including having all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the businesses carried on at or from the Real Property;
 - (b) there are no Contaminants or dangerous or potentially dangerous conditions on or affecting the Collateral whether on or below the surface of the Real Property or located in any improvements thereon, including without limitation, any materials containing gasoline, polychlorinated biphenyls or radioactive substances nor are there any noxious, dangerous, potentially dangerous or toxic substances or conditions present on properties in the vicinity of the Real Property which would affect the uses to which the Collateral may be put or the market value thereof; and

- (c) it has not given, nor does it have an obligation to give, nor has it received, any notice or claim or communication regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property adjacent or proximate thereto, including any notice pursuant to any Environmental Laws.
14. It shall use the Loan solely for the purposes described in the Program and in the normal course of business.
15. To the best of its knowledge, neither it nor any of its subsidiaries, directors, officers, employees, agents or affiliates (a) is a Sanctioned Person, or (b) operate, possess, own, charter, or use a vessel that is listed, designated or sanctioned under any Sanctions.
16. To the best of its knowledge, neither it nor any of its subsidiaries, directors, officers, employees, agents or affiliates:
- (a) is a Sanctioned Person or does it, nor any such other entity or individual, operate, possess, own, charter, or use a vessel that is listed, designated or sanctioned under any Sanctions
- (b) is engaging in or has engaged in any transaction or conduct that could result in it becoming a Sanctioned Person;
- (c) is or has ever been subject to any claim, proceeding, formal notice or investigation with respect to Sanctions; or
- (d) is engaging or has engaged in any transaction that evades or avoids, or has the purpose of evading or avoiding, or breaches or attempts to breach, directly or indirectly, any Sanctions applicable to it.
17. To its knowledge (after prudent investigation), no Person who will benefit in any capacity in connection with or from a Loan and/or any instruments and/or payments thereunder is a Sanctioned Person.

III. COVENANTS

A. Positive Covenants

Each Obligor (as applicable), declares, covenants, and agrees to:

1. maintain and preserve its existence as a company, partnership or trust, as applicable, not change the
2. nature of its business and obtain and keep all the permits, leases, licenses, rights, privileges, consents and approvals necessary for operating its business;
3. duly pay, on time, all the amounts it is to pay pursuant to the terms of these presents and of any other Financing Document at the time and place and in the currency and manner prescribed therein;
4. continue to run its business diligently, efficiently and prudently and use, conserve and administer the Collateral in the same manner;
5. keep the required books, records and accounts in good and proper form;
6. preserve, repair and maintain the Collateral in good condition and upgrade or replace that which has been destroyed or rendered unusable;
7. comply with the requirements of all the laws and regulations applicable to it, including, in particular, the laws and regulations concerning zoning and urban planning;
8. comply with all Anti-Terrorist Financing and Anti-Money Laundering Laws and "know your client" ("KYC") applicable laws (collectively, "AML Legislation");
9. adopt and maintain adequate policies, procedures and controls to ensure that it and each of its directors, officers, employees and agents is in compliance with all AML Legislation;
10. pay without delay, on time, all the taxes, rates, assessments and other claims that may encumber the Collateral and provide Roynat, on demand, with proof of their payment without subrogation (on a semi-annual basis or more frequently, as required by Roynat) and of payment of all the amounts owing by it to the government authorities as deductions at source. The remittances include the deductions at source related to employees' income tax, employment insurance premiums and Canada Pension Plan contributions. The proof of payment may be in the form of cancelled cheques or payment receipts issued by the government authorities.
10. insure the Collateral and keep it constantly insured against any loss or damage caused by fire or any other disaster which, according to Roynat, should be covered by insurance, up to their replacement value, as well as civil liability insurance (including environmental liability) with one or several

insurance companies approved by Roynat and having adequate coverage for a company operating in the field in which it does business. The insurance policy shall also cover the value of the rental income or the loss of income due to an interruption of business, whichever the case, for a period of at least twelve (12) months. Any indemnity under such policy shall be payable to Roynat, based on its interest, pursuant to a mortgage clause formulated as suggested by the Insurance Bureau of Canada and providing for a notice of at least thirty (30) days to Roynat if the insurance policy is amended or cancelled. No insurance policy shall contain a co-insurance clause without the prior written consent of Roynat.

11. shall, forthwith on the happening of any loss or damage, provide at its sole expense, all necessary proofs and do all necessary work to repair or necessary acts to enable Roynat to obtain payment of the insurance moneys subject to the rights of the holders of Permitted Liens.
12. submit every insurance policy immediately to Roynat and subsequently provide it with proof of its renewal or its replacement at least thirty (30) days before its expiry, failing which, Roynat may, if it so desires, without requesting or giving notice, renew or replace such policy at its expense, without prejudice to its other rights;
13. advise Roynat in writing of the occurrence of any Event of Default, of any action, lawsuit or proceeding instituted which concerns such Obligor, or of the registration of a Lien on its property, whether it is a Permitted Lien or not;
14. allow Roynat's representatives, upon reasonable notice and during normal business hours, to examine and copy its books and records or to take extracts therefrom, to inspect the Collateral and to discuss its activities and business with its directors and external accountants;
15. keep all its bank accounts at a financial institution acceptable to Roynat and deposit into these accounts all the amounts received in relation to its debts;
16. promptly provide Roynat:
 - (a) upon request with such documentation and information (hereinafter, "**Client Information**") as may be required from time to time to enable Roynat to establish the identity and existence of each Obligor, its directors, officers and shareholders and to otherwise allow Roynat to meet its

record-keeping, reporting and ongoing monitoring obligations under applicable law and regulations, including under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) ; and

- (b) with updated Client Information if it becomes aware of any circumstances that would cause the Client Information previously provided to Roynat to be incomplete or materially inaccurate in any way;
17. comply with the requirements of all Environmental Laws including, without limitation, as follows:
- (a) shall conduct and maintain the Real Property, the Collateral and its business, operations, and shall cause any tenant of the Real Property to maintain the Real Property and its business operations, so as to comply in all respects with all applicable Environmental Laws, including obtaining all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the business carried out on, at or from the Real Property;
 - (b) except as specifically permitted by Roynat in writing, it shall not permit or suffer to exist, Contaminants or dangerous or potentially dangerous conditions in, on or below the Real Property including, without limitation, any polychlorinated biphenyls, radioactive substances, underground storage tanks, asbestos or urea formaldehyde foam insulation;
 - (c) has no knowledge of the existence of Contaminants or dangerous or potentially dangerous conditions at, on or under the Real Property or any properties in the vicinity of the Real Property which could affect the Real Property or the market value thereof or in levels that exceed the standards in Environmental Laws;
 - (d) has no knowledge of the Real Property, or any portion thereof, having been used for the disposal of waste;
 - (e) has not given or received, nor does it have an obligation to give, any notice, claim, communication or information regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any

- property in the vicinity of the Real Property, including any notice pursuant to any Environmental Laws or any environmental report or audit. It shall notify Roynat promptly and in reasonable detail upon receipt of any such claim, notice, communication or information or if it becomes aware of any violation or potential violation by it or any tenant of the Real Property of any Environmental Laws and shall describe therein the action which it intends to take with respect to such matter;
- (f) shall at its expense establish and maintain a system to assure and monitor continued compliance with, and to prevent the contravention of, Environmental Laws, which system shall include periodic reviews of such compliance system;
 - (g) shall provide confirmation to Roynat upon request but not less often than annually that it is in compliance with all applicable Environmental Laws and that there is no default under this Section 15(g). Upon request, it shall provide Roynat with a duly completed environmental questionnaire, in Roynat's form;
 - (h) shall promptly advise Roynat in writing of any material adverse change in the environmental or other legal requirements affecting it or the Collateral or the Real Property upon it becoming aware of any such change, and it shall provide Roynat with a copy of any of the orders, by-laws, agreements or other documents pursuant to which any such change is effected or documented;
 - (i) shall at its expense promptly take or cause to be taken any and all necessary remedial or clean-up action in response to the presence, storage, use, disposal, transportation, release or discharge of any Contaminant in, on, under or about any of the Real Property, or used by it or any tenant of the Real Property, in compliance with all material laws including, without limitation, Environmental Laws, and in accordance with the orders and directions of all applicable federal, state, provincial, municipal and local governmental authorities;
 - (j) shall deliver to Roynat a true and complete copy of all environmental audits, evaluations, assessments, studies
- or tests relating to it, the Real Property or the Collateral now in its possession or control or forthwith after the completion thereof, or upon such materials coming into its possession or control;
- (k) shall at its expense, if reasonably requested by Roynat in writing, retain an environmental consultant acceptable to Roynat, acting reasonably, to undertake environmental tests and to prepare a report or audit with respect to the Real Property and deliver same to Roynat for its review; and,
 - (l) shall indemnify and save harmless Roynat, its officers, directors, employees, agents and shareholders from and against all losses, liabilities, damages or costs (including complete reimbursement for 100% of all legal fees and disbursements) suffered including, without limitation, the cost or expense of any environmental investigation, the preparation of any environmental or similar report, and the costs of any remediation arising from or relating to any breach of the foregoing covenants of this Section 15(l), any breach by it, any tenant or any other Person now or hereafter having an interest in the Collateral or the Real Property which is asserted or claimed against Roynat; the presence, in any form, of any Contaminant on or under the Real Property, or the discharge, release, spill or disposal of any contaminant by it, which is asserted or claimed against any of these indemnified persons. This indemnity shall survive the payment in full of all amounts due under or in connection with the Financing Documents and the discharge of the Security Agreements. Roynat shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to the Financing Documents.
18. notify Roynat promptly in writing on becoming aware of same, and in reasonable detail, if such Obligor:
- (a) engages in any trade, commerce or other commercial dealings with any Sanctioned Person, or any country that is the subject of any Sanctions;
 - (b) becomes a Sanctioned Person; or
 - (c) receives notice of or becomes aware of any claim, action, suit, proceeding or

investigation against it with respect to Sanctions by any Sanctions Authority.

B. Negative Covenants

1. Without the prior written consent of Roynat, each Obligor (as applicable) declares, covenants and agrees not to:

- (a) generate, contract, accept responsibility for or allow the existence of a Lien encumbering the Collateral or any part thereof, with the exception of the Permitted Liens except that it may give security to its banker (as acceptable to Roynat acting reasonably, but not to more than one banker or to a banking syndicate) on its inventory or under assignments of its trade receivables (by way of confirmation, trade receivables do not include the proceeds of the sale or disposition of Collateral or the proceeds of life insurance policies assigned to Roynat) and such security, if validly perfected, shall rank prior to the interest granted hereby on such inventory and accounts receivable without further action by Roynat;
- (b) sell, assign, rent or otherwise alienate the Collateral or any part thereof, except (i) the sale of its inventory in the ordinary course of its business, and (ii) the sale or other disposal of furniture, machinery, equipment, vehicles and accessories having an aggregate value of more than \$100,000 which is no longer necessary or useful to the operation of its business or which has become outdated, damaged or otherwise unusable, provided that it substitutes them immediately with other property of the same nature and value so as to form part of the Collateral;
- (c) change the nature of its business;
- (d) conclude a merger or any other form of amalgamation of companies or proceed with its liquidation or dissolution;
- (e) create nor permit to exist any new subsidiary, affiliate or non-arm's length company or firm; or
- (f) change the date of its fiscal year end.

2. Each Obligor (as applicable), declares, covenants and agrees not to:

- (a) fund all or part of any payment or repayment in connection with any obligation under this Agreement out of proceeds derived from business or transactions with a Sanctioned Person, or from any action which is in breach of any Sanctions;
- (b) take, directly or indirectly, any action with respect to the use of proceeds from a Loan that will result in a violation by any Person (including, without limitation, an Obligor or Roynat) of the laws of any applicable jurisdiction, including without limitation, Sanctions.

C. Other Covenants

1. Each Obligor agrees and acknowledges:

- (a) That Roynat is required to act in accordance with, and it is Roynat's policy to comply with, Laws and Rules, including those which relate to Sanctions and the prevention of money laundering, terrorist financing, bribery, corruption and tax evasion; and Roynat may take any action (a "**Compliance Action**") that Roynat, in its sole discretion, considers appropriate to act in accordance with Sanctions or other laws and rules. Such Compliance Action may include the interception and investigation of any payment, communication or instruction, or other information; the making of further enquiries as to whether a Person is subject to any Sanctions; and the refusal to process any transaction or instruction (including advance or acceptance of repayment of funds) that does not conform with Sanctions;
- (b) That pursuant to AML Legislation, Roynat may be required to obtain, verify and record information regarding each Obligor, each of their respective subsidiaries and each of their respective directors, authorized signing officers, direct or indirect shareholders or other Persons in control of any of them, and the transactions contemplated herein. Each Obligor shall, promptly provide all such information as may be reasonably required by Roynat, or any assignee or participant of Roynat, in order to comply with AML Legislation.

IV. EVENTS OF DEFAULT

A. Events of Default

The occurrence of any of the following events shall constitute an Event of Default under the terms hereof:

1. if any Obligor fails to make the payment of any amount of principal, interest, charges or other amounts owing under this Agreement or under any other Financing Document;
2. if any representation or warranty made or given in this Agreement or in any other Financing Document proves at any point to be false or misleading in any material respect;
3. if any Obligor fails to honour one or several of its Covenants or obligations set out in this Agreement or in any other Financing Document;
4. if a third party obtains a final and binding judgment against any Obligor amounting to \$25,000 or more, and such judgment is not satisfied within thirty (30) days from the date it is rendered;
5. if a creditor of an Obligor institutes an action or gives notice for the purpose of exercising its rights and recourse against any Collateral, particularly by seizure, notice of intention, notice of closure, taking of possession, registration of a legal hypothec or the like;
6. if any Obligor fails to meet any monetary or non-monetary obligation in an amount exceeding \$25,000 to any of its other creditors or to Roynat under any other financing other than that provided for herein;
7. if any other important provision of this Agreement or of any other Financing Document is declared invalid or unenforceable;
8. if there is a change in Control of any Obligor without the prior written consent of Roynat;
9. if any Obligor commits an act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or assigns its property in favour of its creditors or files or consents to the filing of a petition in bankruptcy or a proposal under the *Bankruptcy and Insolvency Act* (Canada) or if any Obligor is deemed insolvent or bankrupt, or consents or approves or makes a petition or applies to the court for the appointment of a trustee, fiduciary, liquidator or receiver with respect to itself or its property, or if any Obligor institutes

proceedings with respect to itself or its property pursuant to any law that concerns a reorganization, an arrangement, a recovery, a compromise or a liquidation, in any jurisdiction whatsoever (hereinafter called "**Bankruptcy Proceedings**") or if Bankruptcy Proceedings are instituted against any Obligor or if a trustee, fiduciary, liquidator or receiver for any Obligor or for its property is appointed or if any Obligor consents to, approves or accepts any Bankruptcy Proceedings or the appointment of any trustee, fiduciary, liquidator or receiver with respect to itself or its property; unless, if Bankruptcy Proceedings are instituted against any Obligor, the latter had the right to contest it in good faith and unless Roynat is satisfied, at its entire discretion, that the repayment of the amounts owing under the Loan will not be compromised;

10. if any Obligor takes any proceedings for its dissolution, liquidation or amalgamation with another company or if the legal or corporate existence of any Obligor shall be terminated by expiration, forfeiture or otherwise;
11. if any Person which is a party to any Financing Document (other than an Obligor) defaults in the performance of any condition or covenant in favour of Roynat, and such default continues for ten (10) days after written notice thereof to the Borrower by Roynat;
12. if Roynat considers in good faith that a Material Adverse Change has occurred or is about to occur; or,
13. if Roynat determines in its reasonable discretion upon receipt of the notification described in Section III, paragraph A.16 that the effect of the subject matter of such notice could reasonably be expected to have a material adverse effect.

The mere lapsing of the time allotted to an Obligor for fulfilling an obligation provided for in this Agreement or in any other Financing Document constitutes a default on the part of such Obligor, without any notification or formal notice being necessary.

B. Remedies

1. On the occurrence of an Event of Default:
 - (a) all the amounts owing by the Borrower under the Financing Documents shall, (i) at the option of Roynat, become immediately due and payable, and (ii) bear interest at the Default Rate;

- (b) Roynat may terminate the Borrower's right to use the Loan and to obtain Advances thereunder;
- (c) Roynat may immediately terminate one or more of the Financing Documents, in its discretion, without cost or penalty;
- (d) Roynat may carry out any obligation of any Obligor which such Obligor has failed to honour in the stead, place and at the expense of such Obligor; and
- (e) Roynat may exercise all the rights and recourses available to it under the Financing Documents and the law.

2. Notwithstanding paragraph IV. B.1 above, Roynat may, without prejudice to the option of subsequently exercising any right or recourse available to it, waive an Event of Default or grant time to remedy it or take other measures that would seem to be in its interest to take.

V. CONDITIONS PRECEDENT

The disbursement of the first Advance is subject to the delivery to Roynat of the following documents, in form and content acceptable to Roynat and to its legal advisors:

- 1. certified true copy of the governing documents of each Obligor;
- 2. certified true copy of a resolution of the board of directors of each Obligor;
- 3. certificate of attestation, certificate of compliance and any other similar certificate concerning each Obligor, issued by the competent authorities in all jurisdictions where Roynat holds security under the Security Documents;
- 4. delivery of all the Security Documents and confirmation that each Security Document has been registered in all applicable jurisdictions in order to grant them the priority provided for herein and to render each Security Document enforceable against third parties;
- 5. a certificate signed by each Obligor confirming certain facts related to the present financing;
- 6. copy of the certificate(s) (or, if required by Roynat, the policies) of insurance issued in favour of each Obligor, demonstrating that such Obligor took out the requisite insurance under this Agreement. Roynat reserves the right to hire an insurance consultant at the Borrower's expense for the purpose of reporting to it regarding the sufficiency of the insurance coverage of the Obligors, and

Roynat must be satisfied that all the deficiencies identified in the said report have been corrected in accordance with the consultant's recommendations;

7. in the event that any of the Security Documents include a fixed charge on Real Property:

- (a) (i) an up-to-date survey of the Real Property sent to Roynat, and (ii) an opinion on title issued by legal counsel acceptable to Roynat and forwarded to Roynat confirming that such Security Document creates a valid charge (ranking as required by the Offer of Finance) over the Real Property in favour of Roynat,

or

- (b) (i) a title insurance policy that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, or (ii) a commitment to insure that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, as well as confirmation from the title insurance company that the issuance of the policy is only conditional on payment of the premium and on confirmation of registration of the applicable Security Document in the appropriate land registry office;

8. search reports concerning the Liens encumbering the Collateral prepared by Roynat's legal advisors covering each applicable jurisdiction;

9. Roynat is fully satisfied with the quality, value, and eligibility of all assets to be financed;

10. proof that all the charges and fees payable by the Borrower under this Agreement have been paid; and

11. all other documents and information that Roynat may reasonably require.

VI. GENERAL CONDITIONS

A. Fixed Rate Conversion/ Extension Option

The following terms and conditions apply to any conversion or extension of a fixed rate Loan:

1. The Borrower must send Roynat a written request to this effect at least five (5) Business Days before the conversion date or the expiry date of the fixed rate interest period then current.
2. No Event of Default exists at the time of the conversion or extension request.
3. Any conversion or extension as provided for herein shall be carried out at the entire discretion of Roynat. If Roynat agrees to follow up on the Borrower's request, Roynat shall send to the Borrower, within five (5) Business Days following receipt of the Borrower's request, written confirmation indicating:
 - (a) the interest rate applicable to the Loan in question;
 - (b) the length of the term during which the Loan will bear interest at a fixed rate;
 - (c) the effective date from which the Loan in question will bear interest at a fixed rate;
 - (d) any additional change to these presents required by Roynat following such conversion or extension; and
 - (e) the new repayment terms of the Loan in question following the conversion or extension, including the terms and conditions applicable to prepayment.
4. The conversion or extension of the Loan in question shall only take effect upon acceptance by the Borrower of the confirmation letter submitted by Roynat. A fee of \$1,000 shall apply.

B. Calculation of Interest

Interest is calculated on the basis of a 365-day year, except in the case where interest is calculated based on the US Variable Rate or the US Fixed Rate, in which case it is calculated on the basis of a 360-day year.

For the purposes of the *Interest Act* (Canada), the annual interest rate equivalent to the US Variable Rate or the US Fixed Rate is obtained, expressed in decimals, by multiplying such rate by a fraction where the numerator equals the number of days included in that year and where the denominator equals 360.

Notwithstanding any other provision of this Agreement or any other Financing Document, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved, collected or extracted under any of the Financing Documents would otherwise contravene the provisions of Section 347 of the *Criminal Code* (Canada) or Section 8 of the *Interest Act* (Canada), or any successor or similar legislation, or would exceed the amounts which Roynat is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received Roynat shall apply such excess against any amounts owing by the Borrower under the Financing Documents and refund any further excess amount.

C. Records

The records of any Advance or any repayment related hereto as well as the records of any interest, charges or other amounts owing under this Agreement or any other Financing Document, as held by Roynat, constitute *prima facie* proof of the Borrower's indebtedness to Roynat, as it may fluctuate from time to time.

D. Increased Costs and Taxes

If, because of a change to the applicable laws, regulations, rules or orders or because of measures taken in accordance with a guideline or requirement of an authority with which Roynat is bound to comply, Roynat incurs or shall incur increased costs or withstands or shall withstand a reduction in the return on capital related to a Loan, the Borrower must indemnify Roynat for such increased costs or reduced return. All payments pertaining to a Loan must be made free of any withholding tax or of any other current or future tax, rate or deduction.

E. Indemnification

Each Obligor undertakes to indemnify Roynat for any damages, claims, losses, liabilities or expenses borne or incurred by Roynat which can be attributed to the Loan or result directly or indirectly therefrom. Each Obligor undertakes to indemnify Roynat as well as its administrators, officers, employees, agents, successors and assigns and to side with it as regards any applications, lawsuits, judgments, damages, costs, losses or allegations of losses or claims suffered, imposed or incurred by Roynat and arising or resulting from damages caused to the environment by actions or omissions in the operation of its business or in the exercising of its activities or by the contamination of its properties or even by the contamination coming therefrom or any violation of the Environmental Laws, with the exception of claims resulting from the gross or intentional negligence of Roynat.

Each Obligor hereby further agrees to indemnify and hold harmless Roynat, to the fullest extent permitted by applicable law, for all losses and liabilities (including without limitation due to claims by a third party), incurred by Roynat as a result of any breach by the Obligor of its undertakings and representations contained in this Agreement with respect to Sanctions and/or due to any action taken by Roynat to enforce its rights under this indemnity. No action taken by Roynat pursuant to this Agreement, including the grant of a Loan, issuance of any financial instruments thereunder or processing of any payments or transactions, nor any action taken by such Obligor in relation thereto, shall be deemed to be a waiver of any of Roynat's rights under any provisions of this Agreement related to Sanctions nor shall they act to relieve such Obligor of its obligations or liabilities in relation thereto.

F. Discontinuance of Benchmark Rate and Conforming Changes

Notwithstanding anything to the contrary in this Agreement or any other Financing Document, following a Discontinuation Event, Roynat may amend this Agreement and any other relevant Financing Document to replace the Benchmark Rate with a Replacement Rate for the next following Interest Period by providing the Borrower with notice thereof, following which the Borrower shall (a) if the relevant credit is an operating facility, have the right to prepay in full, without penalty, the outstanding principal balance under the affected credit plus any accrued interest on the amount prepaid at the end of the then current Interest Period, or (b) if the relevant credit is a term facility or revolving term facility, have the right to prepay the credit in full at the end of the then current Interest Period in accordance with the terms of prepayment set out in this Agreement, including any prepayment fees or penalties.

In connection with the implementation, use, adoption and administration of a Replacement Rate, Roynat will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Financing Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Financing Document.

G. Applicable Laws

This Agreement shall be governed and interpreted according to the laws of the Applicable Jurisdiction.

H. Successors and Assigns

This Agreement shall be binding on the parties hereto and their respective successors and assigns. Roynat is entitled to assign the Loan and the Financing Documents in whole or in part to any other Person without the Borrower's

consent. The Borrower shall continue to do business with Roynat until Roynat advises the Borrower otherwise. Notwithstanding the foregoing, the Borrower is not entitled to assign its rights or obligations hereunder without the prior written consent of Roynat.

I. Sharing of Information

Roynat may communicate confidential information regarding the Obligors to any potential assignee of the Loan or part thereof in accordance with the terms hereof without incurring any liability.

J. Modification and Renunciation

Any change to or waiver of a provision of this Agreement shall not take effect unless it is in writing and signed by Roynat and each of the Obligors. The fact that Roynat does not exercise a right or recourse available to it under these presents, or delays in doing so, shall not constitute Roynat's waiver of such right or recourse.

K. Cancellation Rights

In addition to any repayment or other cancellation rights, pursuant to any applicable laws the Borrower might have with respect to a particular Loan, if the Borrower is an Eligible Enterprise (which is defined as a business with authorized credit of less than \$1,000,000, fewer than 500 employees and annual revenues of less than \$50,000,000), the Borrower may cancel one or more Loans within three (3) Business Days of entering into this Offer of Finance. If the Borrower notifies Roynat of cancellation of the applicable Loan within that time period, Roynat will acknowledge receipt of the cancellation notice and advise the Borrower of any reimbursement amounts to which the Borrower may be entitled. Roynat is not obliged to reimburse the Borrower or return amounts to the Borrower in relation to (a) any amounts related to the Borrower's use of any Loan prior to cancellation, and (b) any expense that Roynat has reasonably incurred in providing the Borrower with any Loan.

L. Notices

Any notice under the Financing Documents must be given in writing and hand delivered to the party concerned or be sent to it by prepaid registered mail or sent by fax or email, and the date of receipt of the said notice, if hand delivered, shall be considered its delivery date; if sent by mail as indicated above, the third (3rd) Business Day following the date it was sent and, if it is sent by fax or email, the transmission date if the transmission is done before 1:00 p.m. on a Business Day, and the Business Day following the transmission date in all other cases. The addresses of the parties hereto for the purposes of any notice are those written below their names on the signature pages of these

presents or any other address that a party may indicate by means of a notice sent in the manner set out above.

M. Entire Agreement

This Agreement and the other Financing Documents constitute the entire contract between the parties to the Loan. There is no verbal declaration, promise or arrangement in respect of the Loan.

N. Exchange Rate

The conversion into Canadian Dollars of any amount owing by the Borrower in US\$ required for the purpose of obtaining a judgment is done on the Business Day preceding the judgment date.

In the event of a fluctuation in the exchange rate between the Business Day preceding the judgment date and the payment date, the Borrower shall pay to Roynat on demand (or, if need be, deducted from the payment) the necessary amount to ensure that the amount paid in Canadian dollars is equivalent to the amount owing in US\$, after the conversion, on the payment date. The Borrower's obligations under this paragraph constitute an additional obligation on top if its other obligations resulting from the judgment rendered against it.

O. Application of Payments

Should an Event of Default occur, Roynat shall apply all the amounts it receives regarding the secured obligations, unless it indicates otherwise in writing, firstly to the payment of the fees, charges and other expenses incurred by Roynat under these presents or under other Financing Documents; secondly to the payment of interest owing on the Loan; thirdly to the payment of principal on the Loan and fourthly to the payment of other secured obligations. After an Event of Default has occurred, Roynat shall have

discretionary authority regarding the application of all the amounts it receives (including the proceeds from realizing on any security held by Roynat).

P. Paramourncy

In the event of an inconsistency between the provisions of this Offer of Finance and of any other agreement entered into or given by an Obligor in favour of Roynat, the terms of this Offer of Finance shall prevail to the extent of any such conflict.

Q. Novation

It is expressly understood and agreed between the parties that this Agreement does not create novation of the Loan and Roynat expressly reserves all its rights and recourses under the Loan and the Financing Documents. Except as expressly provided for herein, the Borrower's obligations with respect to the Loan will not be deemed to be amended, except in the manner provided for herein. This Agreement will not have the effect of releasing any Obligor from their obligations with respect to Roynat under the Loan or the Financing Documents.

R. Customer Care

Every Scotiabank branch is committed to providing prompt answers to any questions you may have about your account.

If you have a complaint or wish to access Scotiabank's complaint handling process, please contact your Bank Representative or visit us at:

<https://www.scotiabank.com/resolvingyourcomplaint>

EXHIBIT "E"

DEBENTURE

TO: ROYNAT INC. ("Roynat")

Address: 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

Email: Elaine.Broitman@roynat.com

Email: notifications@roynat.com

[Note: notices sent to Roynat by email must be sent to both email addresses above.]

FROM: 1000602770 ONTARIO LTD. (the "Debtor")

Address: 15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Fax No.: 519-836-2126

Email: dave@tristarcarriers.net

DATE: 05 day of ~~August~~ **September**, 2023

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound by this debenture (this "**Debenture**"), the Debtor agrees as follows:

1. **Promise to Pay.** The Debtor acknowledges itself indebted and promises to pay on demand to or to the order of Roynat, at its address specified above, all amounts now or in the future owing by the Debtor to Roynat under or in connection with the Obligations (as defined below) up to the maximum principal amount of Seven Million Dollars (\$7,000,000.00) in lawful money of Canada and interest thereon at the rate of 25% per annum, calculated and accruing daily and payable monthly, not in advance, on the last day of each month, both before and after demand, default, judgment and execution, from the date hereof until payment of all amounts owing hereunder, with interest on overdue interest at the same rate.
2. **Definitions.** In this Debenture:
 - (a) "**Applicable Province**" means the Province of Ontario.
 - (b) "**Additional Property**" means, collectively, all of the undertaking, property and assets of the Debtor, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now has, or may hereafter have, any right, title or interest including, without limitation:
 - (i) **Intangibles** – all intangible property of the Debtor including, without limitation, book debts and accounts, claims, choses in action, contractual rights, insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property;
 - (ii) **Books and Records** – all of the Debtor's manuals, publications, letters, deeds, documents, writings, notes, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

- (iii) Equipment – all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property (excluding Inventory), and all plans, diagrams, drawings, specifications and manuals relating thereto, and including, without limitation, the equipment described in Schedule "C" hereto, if any;
- (iv) Inventory – all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "**Inventory**");
- (v) Investment Property – all of the Debtor's investment property including, without limitation, shares, stocks, warrants, bonds, debentures and debenture stock, securities (whether certificated or uncertificated), financial assets, security entitlements, securities accounts, futures contracts and futures accounts (collectively, "**Investment Property**");
- (vi) Other Property – all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the PPSA governing this Debenture); and
- (vii) Proceeds – all of the Debtor's property in any form derived directly or indirectly from any use or dealing with any property or assets of the Debtor or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage to such property or assets or the proceeds therefrom, any payment made in total or partial discharge or redemption of an intangible, chattel paper, an instrument or Investment Property, and rights arising out of, or property collected on, or distributed on account of, Investment Property (collectively, the "**Proceeds**");

but excluding (1) any consumer goods, and (2) the last day of the term of any lease, verbal or written, or any agreement therefor, now held or hereafter held by the Debtor, but the Debtor shall stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

- (c) "**Business Day**" means any day other than a Saturday, a Sunday or any day on which commercial banks are required to be closed for business in the Applicable Province.
- (d) "**Lien**" means a security interest, mortgage, charge, lien, hypothec, assignment by way of security, claim, encumbrance, or federal or provincial government priority claim arising pursuant to statute including any deemed trust.
- (e) "**Obligations**" means, collectively, all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, matured or not, liquidated or unliquidated, of whatsoever nature or kind, and wheresoever and however incurred, and whether incurred as principal or as surety, and whether incurred alone or with others, in any currency or otherwise, and any ultimate unpaid balance thereof, and whether such indebtedness, liabilities and obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether they are incurred by the Debtor under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor, including, without limitation, indebtedness, liabilities and obligations of the Debtor to Roynat under (i) any and all letter agreements and offers of finance or offers to lease entered into by the Debtor and Roynat from time to time (as amended, restated, modified, substituted or replaced from time to time, each, an "**Offer of Finance**"), (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Debenture and any other security delivered to Roynat by the Debtor from time to time (the agreements and documents referred to in (i), (ii) and (iii) being collectively referred to as the "**Financing Documents**").

(f) **"PPSA"** means the *Personal Property Security Act* and the regulations thereunder, in effect from time to time in the Applicable Province.

3. **Security.** As security for the payment and performance of all Obligations, the Debtor:

- (a) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all freehold real and immovable property described in Schedule "A" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (b) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all leasehold real and immovable property described in Schedule "B" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (c) mortgages and charges, as and by way of a floating charge and grants a security interest to and in favour of Roynat in, all of its present and future interests in real property not referred to in Sections 3(a) and 3(b) above; and
- (d) mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all of its present and after-acquired personal property including, without limitation, all Additional Property, not subject to the charges and security interests in Sections 3(a), 3(b) and 3(c) above.

The security interest created by Section 3(c) above is intended as a floating charge that will attach as provided in Section 4 below. The floating charge shall become a fixed charge upon the earlier of (i) Roynat notifying the Debtor to that effect and (ii) an Event of Default occurring and continuing. And for the same consideration and purposes and subject to the same exceptions, the Debtor hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Debtor and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

All of the assets, property and undertaking of the Debtor subject to the charges and security interests in this Section 3 are collectively referred to herein as the **"Collateral"**.

4. **Attachment.** The Debtor acknowledges and agrees that value has been given, the Debtor has rights in all of the Collateral in which the Debtor has an interest upon the execution of this Debenture, and the Debtor will have rights in all of the Collateral in which the Debtor acquires an interest after the execution of this Debenture. The attachment of the security interest given hereunder has not been postponed and such security interest will attach, as to all Collateral in which the Debtor has an interest upon the execution of this Debenture, immediately upon the execution of this Debenture and, as to all Collateral in which the Debtor acquires an interest after the execution of this Debenture, immediately when the Debtor acquires such interest. The attachment of the floating charge has not been postponed and the floating charge shall attach to any particular Collateral intended to be subject to it as soon as the Debtor has rights in such Collateral.

5. **Representations, Warranties and Covenants.**

- (a) The Debtor represents and warrants to Roynat as follows, and acknowledges that Roynat is relying on such representations and warranties as a basis for extending and maintaining the extension of credit to the Debtor:

- (i) Incorporation and Existence – the Debtor is duly incorporated, existing and in good standing under the laws of its jurisdiction of incorporation; it has full corporate power, authority and capacity to enter into and perform its obligations hereunder; all necessary action has been taken by its directors or shareholders and otherwise to authorize the execution and delivery of this Debenture and the performance of its obligations hereunder; the Debtor has, to the extent required by law, disclosed to its shareholders all information required with respect to the delivery of this Debenture; there is no provision in any unanimous shareholder agreement which restricts or limits its powers to enter into or perform its obligations under this Debenture; and none of the execution or delivery of this Debenture, or compliance with the provisions of this Debenture conflicts with, or results in a breach of its charter documents or by-laws;
 - (ii) No Conflict – none of the execution or delivery of this Debenture, or compliance by the Debtor with the provisions of this Debenture, conflicts with or results in a breach of any agreement or instrument to which the Debtor is a party or by which the Debtor or any of the Debtor’s property or assets are bound or affected, or requires the consent of any other person (other than any consents which have been obtained);
 - (iii) Ownership of Collateral – the Collateral is owned, and the Collateral acquired after the date of this Debenture shall be owned, by the Debtor free of all Liens other than those given by the Debtor to Roynat or expressly permitted under any Financing Document; and
 - (iv) Enforceability – this Debenture constitutes a valid and legally binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- (b) The Debtor declares, covenants and agrees that it:
- (i) To Pay Rents and Taxes – shall pay all rents, taxes and assessments lawfully imposed upon all real property forming part of the Collateral or on which the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat on request receipts for such payment;
 - (ii) Conduct of Business – shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;
 - (iii) Not to Sell – shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral;
 - (iv) No Other Liens – shall not create, assume or suffer to exist any Lien upon any Collateral except as expressly permitted in any applicable Financing Document. No provision in this Debenture shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other Lien, whether or not it is permitted;
 - (v) To Hold Proceeds of Unauthorized Sale in Trust – in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Debenture by Roynat, in any manner not authorized by this Debenture, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Debenture by Roynat, and such proceeds shall be subject to the mortgages, charges and security interests granted under this Debenture;

- (vi) To Insure – shall keep insured the Collateral to its full insurable value or in such amounts as Roynat may reasonably require, against all risks, with insurers approved by Roynat, with loss payable to Roynat as first loss payee and additional insured, and will pay all premiums necessary for such purposes as the same shall become due. Upon request, the Debtor shall provide evidence of such insurance to Roynat;
- (vii) Inspection by Roynat – shall allow any employees, or third parties retained by Roynat, at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit Roynat prompt access to such other persons as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of third parties retained by Roynat for purposes of inspection under this Section 5(b)(vii);
- (viii) Use and Maintenance – shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;
- (ix) Possession and Control – shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Obligor shall also take whatever steps Roynat requires to enable Roynat to obtain control of any Investment Property forming part of the Collateral in a manner satisfactory to Roynat including, without limitation, (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control of such Investment Property, (b) delivering any certificated security to Roynat with any necessary endorsement, and (c) having any security registered in the name of Roynat or its nominee;
- (x) Location of Collateral – shall keep the Collateral in the location(s) set forth in Schedule "C" hereto, except for goods in transit to such location(s), or Inventory on lease or consignment, or with the prior written consent of Roynat, and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords;
- (xi) No Affixation – shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Debenture and shall register such notice or documents against the title to such premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested;

- (xii) Registered Office/Jurisdiction of Incorporation – shall not change its jurisdiction of incorporation or registered office address from that listed in Schedule “C” without the prior written consent of Roynat; and
 - (xiii) General Indemnity – shall indemnify Roynat and each of its directors and officers, and save them fully harmless from and against, any and all losses, costs, damages, expenses, claims and liabilities which they may suffer or incur in connection with any failure by the Debtor to perform any of its covenants or obligations under this Debenture.
6. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Debenture or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
7. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any Lien ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such Lien, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.
8. **Events of Default.** Each of the following events shall constitute an "**Event of Default**":
- (a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or
 - (b) the failure of the Debtor to pay any of the Obligations when due; or
 - (c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.
9. **Enforcement.** Without prejudice to any other right which Roynat may now or hereafter have to demand payment of any of the Obligations, the Obligations shall, at the option of Roynat, become payable and the security granted herein shall become enforceable upon the occurrence of any Event of Default that is continuing, and Roynat may proceed to exercise any rights, powers or remedies available to Roynat at law or in equity or under the PPSA or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:
- (a) without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;
 - (b) declare the full amount of the Obligations to be immediately due and payable;
 - (c) terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

- (d) enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;
- (e) sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral, whether by public or private sale, as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement, and after deducting from the proceeds of sale all costs and expenses incurred in the repossession, sale, lease or other disposition of the Collateral (including complete reimbursement of all legal fees and disbursements), apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for moneys actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;
- (f) appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;
- (g) apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;
- (h) have any instruments or Investment Property registered in its name or in the name of its nominee and be entitled but not required to exercise voting and other rights that the holder of such Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and
- (i) retain the Collateral in satisfaction of the Obligations.

10. **Powers of Receiver.**

- (a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Debenture and, in addition, shall have the following powers:
 - (i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;
 - (ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and
 - (iii) to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Debenture;
- (b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:
 - (i) carrying on and managing the business and affairs of the Debtor, and
 - (ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

11. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 9 and 10 of this Debenture shall be applied:
 - (a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 10(a)), ranking in priority to the charges and security interests created by this Debenture as directed by Roynat or the receiver;
 - (b) second, in payment of all costs, charges and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of, incidental to, or which in any way relate to the appointment of, the receiver and the exercise by the receiver or Roynat of all or any of the powers granted to them under this Debenture, including the reasonable remuneration of the receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;
 - (c) third, in or towards the payment to Roynat of all other Obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;
 - (d) fourth, in or towards the payment of the obligations of the Debtor to persons, if any, with charges or security interests against Collateral ranking subsequent to those in favour of Roynat; and
 - (e) fifth, subject to applicable law, any surplus shall be paid to the Debtor.
12. **Realization Costs.** The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of Roynat, and any receiver appointed by it, incidental to or which in any way relate to this Debenture or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Debenture or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing. All such costs and expenses and other moneys payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.
13. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by applicable law and the Debtor agrees upon request from Roynat or any such receiver to assemble and deliver possession of the Collateral at such place or places as directed.
14. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 11(c) hereof.
15. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay or satisfy any of its Obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full cooperation, including full access to facilities, assets and records of the Debtor and to its creditors, customers,

contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option, upon the occurrence of an Event of Default, appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

16. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.
17. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance or other Financing Document.
18. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the Obligations secured hereby, shall not release or affect the security created hereby.
19. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.
20. **Assignment.** This Debenture may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Debenture or any of its rights or obligations hereunder. This Debenture shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Debenture and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.
21. **Limited Power of Attorney [NOT APPLICABLE IF DEBENTURE REGISTERED IN THE NORTHWEST TERRITORIES].** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance, Financing Document or otherwise, or as may be required by Roynat or any receiver to give effect to this Debenture or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

22. **Amalgamation.** The Debtor acknowledges that if it amalgamates with one or more corporations (a) the Collateral and the charges and security interests created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 22 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.
23. **Severability.** Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.
24. **Notices.** Without prejudice to any other method of giving notice, any notice, demand or other communication required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto (each, a "notice") shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication, or by sending the same by registered mail, postage prepaid, to Roynat or to the Debtor at their respective addresses set out above and, in the case of facsimile or electronic communication, to the facsimile numbers or email addresses set out above, as applicable. Any notice personally delivered shall be conclusively deemed to have been received when personally delivered, and any notice sent by facsimile or other means of electronic transmission shall be conclusively deemed to have been received on the Business Day following the sending of the notice, and any notice sent by registered mail shall be conclusively deemed to have been received on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto. Notwithstanding the foregoing, if the PPSA requires that notice be given in a special manner, then such notice shall be given in such manner.
25. **General.**
- (a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its charges and security interests in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.
 - (b) Nothing in this Debenture will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.
 - (c) If more than one Debtor executes this Debenture, the obligations of such Debtors hereunder shall be joint and several.
 - (d) The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.
 - (e) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.
 - (f) Time is of the essence in this Debenture.
 - (g) The charges and security interests created by this Debenture are continuing, to secure a current or running account, and will extend to the ultimate balance of the Obligations, regardless of any

intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.

- (h) This Debenture may be executed and delivered by facsimile, pdf or other similar electronic transmission by the Debtor to Roynat and such delivery will be as effective as delivery of a manually executed copy of this Debenture by the Debtor. If this Debenture is delivered by the Debtor by facsimile, pdf or other similar electronic transmission, the Debtor shall, at the request of Roynat, forthwith deliver an originally executed copy to Roynat.
 - (i) The Debtor and Roynat have expressly required that this Debenture and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
26. **Receipt.** The Debtor hereby acknowledges receipt of a true copy of this Debenture and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Debenture or any supplemental or collateral security granted to Roynat.
27. **Governing Law.** This Debenture shall be governed by and construed in accordance with the laws of the Province of the Applicable Province and the laws of Canada applicable therein. Without prejudice to the right of Roynat to commence any proceedings with respect to this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Applicable Province.
28. **Interest Calculations.** Notwithstanding the rate of interest stated to be payable under this Debenture, payment by the Debtor of interest on the Obligations at the rate or rate applicable to the Obligations for any period of time in accordance with the provisions of the applicable Offer of Finance shall constitute satisfaction of interest payable under this Debenture for the equivalent period of time. For the purposes of the Interest Act (Canada), the yearly rate of interest applicable to amounts owing on this Debenture shall be calculated on the basis of a 365 day year.

[FOR ALBERTA AND SASKATCHEWAN]

29. **Waiver of Certain Legislation.** The Debtor hereby declares and covenants that:
- (a) *The Land Contracts (Actions) Act, 2018* (Saskatchewan) shall have no application to any action as defined in *The Land Contracts (Actions) Act* with respect to this Debenture, any agreement renewing or extending this Debenture, any of the Collateral, or any supplemental or collateral security granted to Roynat, or to the rights, powers and remedies of Roynat under or in respect of any of the foregoing, and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;
 - (b) *The Limitation of Civil Rights Act* (Saskatchewan) shall have no application to: (i) this Debenture; (ii) any indenture, instrument or agreement entered into by the Debtor, at any time hereafter, supplemental, collateral or ancillary hereto or in implementation of this Debenture or any Offer of Finance and involving the payment by the Debtor of money or the liability of the Debtor to pay money; (iii) any mortgage, charge or other security for the payment of the money made, given or created by this Debenture; (iv) any instrument or agreement entered into by the Debtor at any time hereafter, renewing or extending or collateral to this Debenture or any other security given to Roynat by the Debtor; or (v) the rights, powers or remedies of Roynat or a receiver or any other person under this Debenture or under any other security granted by the Debtor to Roynat or instrument or agreement collateral, supplemental or ancillary hereto or referred to in this Debenture; and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;

- (c) to the extent permitted by law, the Debtor expressly and irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild any real property or any improvements thereon including, without limitation, the *Insurance Act* (Alberta), the *Fire Prevention (Metropolis) Act*, 14 Geo. III, 1774 (Imp.), c. 78; and
- (d) to the extent that the *Expropriations Act* (Alberta) applies to the expropriation of real property interests and any restrictions imposed upon Roynat on its recovery of compensation for expropriation which is less than the Obligations at the date of any expropriation, the Debtor hereby waives the provisions of the *Expropriation Act* (Alberta) insofar as they relate to such restriction and further waives any provisions which may be enacted and in force from time to time in replacement or in addition to such provisions of the *Expropriation Act* (Alberta): and

[FOR BRITISH COLUMBIA]

30. Right of Consolidation.

- (a) The right of consolidation shall apply to this Debenture notwithstanding Section 31 of the *Property Law Act* (British Columbia) or any similar statutory provision in force from time to time.
- (b) For the purposes of Section 203 of the *Land Title Act* (British Columbia), the floating charge hereby created over the Debtor's real and immovable property, both freehold and leasehold, shall become a fixed charge thereon upon the earlier of (i) the occurrence of an Event of Default, or (ii) Roynat taking any actions pursuant to this Debenture to enforce and realize on the security hereby constituted.

[FOR ONTARIO]

- 31. **Waiver of Deemed Covenants.** The covenants deemed to be included in a charge/mortgage of land by subsection 7(1) of the *Land Registration Reform Act* (Ontario) are expressly excluded from this Debenture.

[signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Debenture as of the date first written above.

1000602770 ONTARIO LTD.

Per: 

Name: Panveer Singh Dania

Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

FREEHOLD PROPERTY

FIRSTLY:

PIN 71491 – 0162(LT)

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS INROS223171; GUELPH

SECONDLY:

PIN 71491 – 0161(LT)

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

AND MUNICIPALLY KNOWN AS 225 SOUTHGATE DRIVE, GUELPH, ONTARIO

SCHEDULE "B"
LEASEHOLD PROPERTY

All Leaseholds included.

[TO BE LISTED, IF ANY]

SCHEDULE "C"

LOCATION AND DESCRIPTION OF COLLATERAL

Jurisdiction of Incorporation of Debtor:

Ontario

Registered Office Address of Debtor:

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Location(s) of Collateral:

225 Southgate Drive, Guelph, ON N1G 3M5

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Description of Collateral:

(Include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification Numbers.)

EXHIBIT "F"

Properties

PIN 71491 - 0162 LT *Interest/Estate* Fee Simple
Description LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH
Address 225 SOUTHGATE DRIVE
 GUELPH

PIN 71491 - 0161 LT *Interest/Estate* Fee Simple
Description LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH
Address 225 SOUTHGATE DRIVE
 GUELPH

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 1000602770 ONTARIO LTD.
Address for Service 15 Tawse Pl.,
 Puslinch, Ontario N0B2J0

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name ROYNAT INC.
Address for Service 1235 North Service Road W, Suite 200,
 Oakville, Ontario L6M 2W2

Statements

Schedule: See Schedules

Provisions

Principal \$7,000,000.00 *Currency* CDN
Calculation Period See Schedule
Balance Due Date See Schedule
Interest Rate See Schedule
Payments
Interest Adjustment Date
Payment Date See Schedule
First Payment Date
Last Payment Date
Standard Charge Terms
Insurance Amount Full insurable value
Guarantor

Signed By

Rosemary Martins Silva 135 Queens Plate Drive Suite 600 acting for Signed 2023 09 07
 Etobicoke Chargor(s)
 M9W 6V7

Tel 416-746-4710
 Fax 416-746-8319

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

Loopstra Nixon LLP 135 Queens Plate Drive Suite 600 2023 09 11
 Etobicoke
 M9W 6V7

Tel 416-746-4710

Submitted By

Fax 416-746-8319

Fees/Taxes/Payment

| | |
|----------------------------|---------|
| Statutory Registration Fee | \$69.00 |
| Total Paid | \$69.00 |

File Number

Chargee Client File Number : 29947-0020 (SJM/RS)

DEBENTURE

TO: ROYNAT INC. ("Roynat")

Address: 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

Email: Elaine.Broitman@roynat.com

Email: notifications@roynat.com

[Note: notices sent to Roynat by email must be sent to both email addresses above.]

FROM: 1000602770 ONTARIO LTD. (the "Debtor")

Address: 15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Fax No.: 519-836-2126

Email: dave@tristarcarriers.net

DATE: 05 day of ~~August~~ **September**, 2023

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound by this debenture (this "**Debenture**"), the Debtor agrees as follows:

1. **Promise to Pay.** The Debtor acknowledges itself indebted and promises to pay on demand to or to the order of Roynat, at its address specified above, all amounts now or in the future owing by the Debtor to Roynat under or in connection with the Obligations (as defined below) up to the maximum principal amount of Seven Million Dollars (\$7,000,000.00) in lawful money of Canada and interest thereon at the rate of 25% per annum, calculated and accruing daily and payable monthly, not in advance, on the last day of each month, both before and after demand, default, judgment and execution, from the date hereof until payment of all amounts owing hereunder, with interest on overdue interest at the same rate.
2. **Definitions.** In this Debenture:
 - (a) "**Applicable Province**" means the Province of Ontario.
 - (b) "**Additional Property**" means, collectively, all of the undertaking, property and assets of the Debtor, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now has, or may hereafter have, any right, title or interest including, without limitation:
 - (i) **Intangibles** – all intangible property of the Debtor including, without limitation, book debts and accounts, claims, choses in action, contractual rights, insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property;
 - (ii) **Books and Records** – all of the Debtor's manuals, publications, letters, deeds, documents, writings, notes, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

- (iii) Equipment – all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property (excluding Inventory), and all plans, diagrams, drawings, specifications and manuals relating thereto, and including, without limitation, the equipment described in Schedule "C" hereto, if any;
- (iv) Inventory – all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "**Inventory**");
- (v) Investment Property – all of the Debtor's investment property including, without limitation, shares, stocks, warrants, bonds, debentures and debenture stock, securities (whether certificated or uncertificated), financial assets, security entitlements, securities accounts, futures contracts and futures accounts (collectively, "**Investment Property**");
- (vi) Other Property – all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the PPSA governing this Debenture); and
- (vii) Proceeds – all of the Debtor's property in any form derived directly or indirectly from any use or dealing with any property or assets of the Debtor or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage to such property or assets or the proceeds therefrom, any payment made in total or partial discharge or redemption of an intangible, chattel paper, an instrument or Investment Property, and rights arising out of, or property collected on, or distributed on account of, Investment Property (collectively, the "**Proceeds**");

but excluding (1) any consumer goods, and (2) the last day of the term of any lease, verbal or written, or any agreement therefor, now held or hereafter held by the Debtor, but the Debtor shall stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

- (c) "**Business Day**" means any day other than a Saturday, a Sunday or any day on which commercial banks are required to be closed for business in the Applicable Province.
- (d) "**Lien**" means a security interest, mortgage, charge, lien, hypothec, assignment by way of security, claim, encumbrance, or federal or provincial government priority claim arising pursuant to statute including any deemed trust.
- (e) "**Obligations**" means, collectively, all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, matured or not, liquidated or unliquidated, of whatsoever nature or kind, and wheresoever and however incurred, and whether incurred as principal or as surety, and whether incurred alone or with others, in any currency or otherwise, and any ultimate unpaid balance thereof, and whether such indebtedness, liabilities and obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether they are incurred by the Debtor under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor, including, without limitation, indebtedness, liabilities and obligations of the Debtor to Roynat under (i) any and all letter agreements and offers of finance or offers to lease entered into by the Debtor and Roynat from time to time (as amended, restated, modified, substituted or replaced from time to time, each, an "**Offer of Finance**"), (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Debenture and any other security delivered to Roynat by the Debtor from time to time (the agreements and documents referred to in (i), (ii) and (iii) being collectively referred to as the "**Financing Documents**").

(f) "**PPSA**" means the *Personal Property Security Act* and the regulations thereunder, in effect from time to time in the Applicable Province.

3. **Security.** As security for the payment and performance of all Obligations, the Debtor:

- (a) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all freehold real and immovable property described in Schedule "A" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (b) mortgages and charges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all leasehold real and immovable property described in Schedule "B" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;
- (c) mortgages and charges, as and by way of a floating charge and grants a security interest to and in favour of Roynat in, all of its present and future interests in real property not referred to in Sections 3(a) and 3(b) above; and
- (d) mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all of its present and after-acquired personal property including, without limitation, all Additional Property, not subject to the charges and security interests in Sections 3(a), 3(b) and 3(c) above.

The security interest created by Section 3(c) above is intended as a floating charge that will attach as provided in Section 4 below. The floating charge shall become a fixed charge upon the earlier of (i) Roynat notifying the Debtor to that effect and (ii) an Event of Default occurring and continuing. And for the same consideration and purposes and subject to the same exceptions, the Debtor hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Debtor and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

All of the assets, property and undertaking of the Debtor subject to the charges and security interests in this Section 3 are collectively referred to herein as the "**Collateral**".

4. **Attachment.** The Debtor acknowledges and agrees that value has been given, the Debtor has rights in all of the Collateral in which the Debtor has an interest upon the execution of this Debenture, and the Debtor will have rights in all of the Collateral in which the Debtor acquires an interest after the execution of this Debenture. The attachment of the security interest given hereunder has not been postponed and such security interest will attach, as to all Collateral in which the Debtor has an interest upon the execution of this Debenture, immediately upon the execution of this Debenture and, as to all Collateral in which the Debtor acquires an interest after the execution of this Debenture, immediately when the Debtor acquires such interest. The attachment of the floating charge has not been postponed and the floating charge shall attach to any particular Collateral intended to be subject to it as soon as the Debtor has rights in such Collateral.

5. **Representations, Warranties and Covenants.**

- (a) The Debtor represents and warrants to Roynat as follows, and acknowledges that Roynat is relying on such representations and warranties as a basis for extending and maintaining the extension of credit to the Debtor:

- (i) Incorporation and Existence – the Debtor is duly incorporated, existing and in good standing under the laws of its jurisdiction of incorporation; it has full corporate power, authority and capacity to enter into and perform its obligations hereunder; all necessary action has been taken by its directors or shareholders and otherwise to authorize the execution and delivery of this Debenture and the performance of its obligations hereunder; the Debtor has, to the extent required by law, disclosed to its shareholders all information required with respect to the delivery of this Debenture; there is no provision in any unanimous shareholder agreement which restricts or limits its powers to enter into or perform its obligations under this Debenture; and none of the execution or delivery of this Debenture, or compliance with the provisions of this Debenture conflicts with, or results in a breach of its charter documents or by-laws;
 - (ii) No Conflict – none of the execution or delivery of this Debenture, or compliance by the Debtor with the provisions of this Debenture, conflicts with or results in a breach of any agreement or instrument to which the Debtor is a party or by which the Debtor or any of the Debtor’s property or assets are bound or affected, or requires the consent of any other person (other than any consents which have been obtained);
 - (iii) Ownership of Collateral – the Collateral is owned, and the Collateral acquired after the date of this Debenture shall be owned, by the Debtor free of all Liens other than those given by the Debtor to Roynat or expressly permitted under any Financing Document; and
 - (iv) Enforceability – this Debenture constitutes a valid and legally binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- (b) The Debtor declares, covenants and agrees that it:
- (i) To Pay Rents and Taxes – shall pay all rents, taxes and assessments lawfully imposed upon all real property forming part of the Collateral or on which the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat on request receipts for such payment;
 - (ii) Conduct of Business – shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;
 - (iii) Not to Sell – shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral;
 - (iv) No Other Liens – shall not create, assume or suffer to exist any Lien upon any Collateral except as expressly permitted in any applicable Financing Document. No provision in this Debenture shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other Lien, whether or not it is permitted;
 - (v) To Hold Proceeds of Unauthorized Sale in Trust – in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Debenture by Roynat, in any manner not authorized by this Debenture, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Debenture by Roynat, and such proceeds shall be subject to the mortgages, charges and security interests granted under this Debenture;

- (vi) To Insure – shall keep insured the Collateral to its full insurable value or in such amounts as Roynat may reasonably require, against all risks, with insurers approved by Roynat, with loss payable to Roynat as first loss payee and additional insured, and will pay all premiums necessary for such purposes as the same shall become due. Upon request, the Debtor shall provide evidence of such insurance to Roynat;
- (vii) Inspection by Roynat – shall allow any employees, or third parties retained by Roynat, at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit Roynat prompt access to such other persons as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of third parties retained by Roynat for purposes of inspection under this Section 5(b)(vii);
- (viii) Use and Maintenance – shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;
- (ix) Possession and Control – shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Obligor shall also take whatever steps Roynat requires to enable Roynat to obtain control of any Investment Property forming part of the Collateral in a manner satisfactory to Roynat including, without limitation, (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control of such Investment Property, (b) delivering any certificated security to Roynat with any necessary endorsement, and (c) having any security registered in the name of Roynat or its nominee;
- (x) Location of Collateral – shall keep the Collateral in the location(s) set forth in Schedule "C" hereto, except for goods in transit to such location(s), or Inventory on lease or consignment, or with the prior written consent of Roynat, and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords;
- (xi) No Affixation – shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Debenture and shall register such notice or documents against the title to such premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested;

- (xii) Registered Office/Jurisdiction of Incorporation – shall not change its jurisdiction of incorporation or registered office address from that listed in Schedule “C” without the prior written consent of Roynat; and
 - (xiii) General Indemnity – shall indemnify Roynat and each of its directors and officers, and save them fully harmless from and against, any and all losses, costs, damages, expenses, claims and liabilities which they may suffer or incur in connection with any failure by the Debtor to perform any of its covenants or obligations under this Debenture.
6. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Debenture or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
7. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any Lien ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such Lien, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.
8. **Events of Default.** Each of the following events shall constitute an "Event of Default":
- (a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or
 - (b) the failure of the Debtor to pay any of the Obligations when due; or
 - (c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.
9. **Enforcement.** Without prejudice to any other right which Roynat may now or hereafter have to demand payment of any of the Obligations, the Obligations shall, at the option of Roynat, become payable and the security granted herein shall become enforceable upon the occurrence of any Event of Default that is continuing, and Roynat may proceed to exercise any rights, powers or remedies available to Roynat at law or in equity or under the PPSA or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:
- (a) without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;
 - (b) declare the full amount of the Obligations to be immediately due and payable;
 - (c) terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

- (d) enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;
- (e) sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral, whether by public or private sale, as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement, and after deducting from the proceeds of sale all costs and expenses incurred in the repossession, sale, lease or other disposition of the Collateral (including complete reimbursement of all legal fees and disbursements), apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for moneys actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;
- (f) appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;
- (g) apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;
- (h) have any instruments or Investment Property registered in its name or in the name of its nominee and be entitled but not required to exercise voting and other rights that the holder of such Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and
- (i) retain the Collateral in satisfaction of the Obligations.

10. **Powers of Receiver.**

- (a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Debenture and, in addition, shall have the following powers:
 - (i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;
 - (ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and
 - (iii) to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Debenture;
- (b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:
 - (i) carrying on and managing the business and affairs of the Debtor, and
 - (ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

11. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 9 and 10 of this Debenture shall be applied:
 - (a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 10(a)), ranking in priority to the charges and security interests created by this Debenture as directed by Roynat or the receiver;
 - (b) second, in payment of all costs, charges and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of, incidental to, or which in any way relate to the appointment of, the receiver and the exercise by the receiver or Roynat of all or any of the powers granted to them under this Debenture, including the reasonable remuneration of the receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;
 - (c) third, in or towards the payment to Roynat of all other Obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;
 - (d) fourth, in or towards the payment of the obligations of the Debtor to persons, if any, with charges or security interests against Collateral ranking subsequent to those in favour of Roynat; and
 - (e) fifth, subject to applicable law, any surplus shall be paid to the Debtor.
12. **Realization Costs.** The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of Roynat, and any receiver appointed by it, incidental to or which in any way relate to this Debenture or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Debenture or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing. All such costs and expenses and other moneys payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.
13. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by applicable law and the Debtor agrees upon request from Roynat or any such receiver to assemble and deliver possession of the Collateral at such place or places as directed.
14. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 11(c) hereof.
15. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay or satisfy any of its Obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full cooperation, including full access to facilities, assets and records of the Debtor and to its creditors, customers,

contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option, upon the occurrence of an Event of Default, appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

16. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.
17. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance or other Financing Document.
18. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the Obligations secured hereby, shall not release or affect the security created hereby.
19. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.
20. **Assignment.** This Debenture may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Debenture or any of its rights or obligations hereunder. This Debenture shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Debenture and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.
21. **Limited Power of Attorney [NOT APPLICABLE IF DEBENTURE REGISTERED IN THE NORTHWEST TERRITORIES].** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance, Financing Document or otherwise, or as may be required by Roynat or any receiver to give effect to this Debenture or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

22. **Amalgamation.** The Debtor acknowledges that if it amalgamates with one or more corporations (a) the Collateral and the charges and security interests created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 22 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.
23. **Severability.** Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.
24. **Notices.** Without prejudice to any other method of giving notice, any notice, demand or other communication required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto (each, a "notice") shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication, or by sending the same by registered mail, postage prepaid, to Roynat or to the Debtor at their respective addresses set out above and, in the case of facsimile or electronic communication, to the facsimile numbers or email addresses set out above, as applicable. Any notice personally delivered shall be conclusively deemed to have been received when personally delivered, and any notice sent by facsimile or other means of electronic transmission shall be conclusively deemed to have been received on the Business Day following the sending of the notice, and any notice sent by registered mail shall be conclusively deemed to have been received on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto. Notwithstanding the foregoing, if the PPSA requires that notice be given in a special manner, then such notice shall be given in such manner.
25. **General.**
- (a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its charges and security interests in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.
 - (b) Nothing in this Debenture will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.
 - (c) If more than one Debtor executes this Debenture, the obligations of such Debtors hereunder shall be joint and several.
 - (d) The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.
 - (e) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.
 - (f) Time is of the essence in this Debenture.
 - (g) The charges and security interests created by this Debenture are continuing, to secure a current or running account, and will extend to the ultimate balance of the Obligations, regardless of any

intermediate payment or discharge of the Obligations in whole or in part. Without limiting the foregoing, the Obligations may include advances and re-advances under revolving credit facilities, which permit borrowing, repayment of all or part of the amount borrowed and re-borrowing of amounts previously paid.

- (h) This Debenture may be executed and delivered by facsimile, pdf or other similar electronic transmission by the Debtor to Roynat and such delivery will be as effective as delivery of a manually executed copy of this Debenture by the Debtor. If this Debenture is delivered by the Debtor by facsimile, pdf or other similar electronic transmission, the Debtor shall, at the request of Roynat, forthwith deliver an originally executed copy to Roynat.
 - (i) The Debtor and Roynat have expressly required that this Debenture and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
26. **Receipt.** The Debtor hereby acknowledges receipt of a true copy of this Debenture and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Debenture or any supplemental or collateral security granted to Roynat.
27. **Governing Law.** This Debenture shall be governed by and construed in accordance with the laws of the Province of the Applicable Province and the laws of Canada applicable therein. Without prejudice to the right of Roynat to commence any proceedings with respect to this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Applicable Province.
28. **Interest Calculations.** Notwithstanding the rate of interest stated to be payable under this Debenture, payment by the Debtor of interest on the Obligations at the rate or rate applicable to the Obligations for any period of time in accordance with the provisions of the applicable Offer of Finance shall constitute satisfaction of interest payable under this Debenture for the equivalent period of time. For the purposes of the Interest Act (Canada), the yearly rate of interest applicable to amounts owing on this Debenture shall be calculated on the basis of a 365 day year.

[FOR ALBERTA AND SASKATCHEWAN]

29. **Waiver of Certain Legislation.** The Debtor hereby declares and covenants that:
- (a) *The Land Contracts (Actions) Act, 2018* (Saskatchewan) shall have no application to any action as defined in *The Land Contracts (Actions) Act* with respect to this Debenture, any agreement renewing or extending this Debenture, any of the Collateral, or any supplemental or collateral security granted to Roynat, or to the rights, powers and remedies of Roynat under or in respect of any of the foregoing, and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;
 - (b) *The Limitation of Civil Rights Act* (Saskatchewan) shall have no application to: (i) this Debenture; (ii) any indenture, instrument or agreement entered into by the Debtor, at any time hereafter, supplemental, collateral or ancillary hereto or in implementation of this Debenture or any Offer of Finance and involving the payment by the Debtor of money or the liability of the Debtor to pay money; (iii) any mortgage, charge or other security for the payment of the money made, given or created by this Debenture; (iv) any instrument or agreement entered into by the Debtor at any time hereafter, renewing or extending or collateral to this Debenture or any other security given to Roynat by the Debtor; or (v) the rights, powers or remedies of Roynat or a receiver or any other person under this Debenture or under any other security granted by the Debtor to Roynat or instrument or agreement collateral, supplemental or ancillary hereto or referred to in this Debenture; and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;

- (c) to the extent permitted by law, the Debtor expressly and irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild any real property or any improvements thereon including, without limitation, the *Insurance Act* (Alberta), the *Fire Prevention (Metropolis) Act*, 14 Geo. III, 1774 (Imp.), c. 78; and
- (d) to the extent that the *Expropriations Act* (Alberta) applies to the expropriation of real property interests and any restrictions imposed upon Roynat on its recovery of compensation for expropriation which is less than the Obligations at the date of any expropriation, the Debtor hereby waives the provisions of the *Expropriation Act* (Alberta) insofar as they relate to such restriction and further waives any provisions which may be enacted and in force from time to time in replacement or in addition to such provisions of the *Expropriation Act* (Alberta): and

[FOR BRITISH COLUMBIA]

30. Right of Consolidation.

- (a) The right of consolidation shall apply to this Debenture notwithstanding Section 31 of the *Property Law Act* (British Columbia) or any similar statutory provision in force from time to time.
- (b) For the purposes of Section 203 of the *Land Title Act* (British Columbia), the floating charge hereby created over the Debtor's real and immovable property, both freehold and leasehold, shall become a fixed charge thereon upon the earlier of (i) the occurrence of an Event of Default, or (ii) Roynat taking any actions pursuant to this Debenture to enforce and realize on the security hereby constituted.

[FOR ONTARIO]

- 31. **Waiver of Deemed Covenants.** The covenants deemed to be included in a charge/mortgage of land by subsection 7(1) of the *Land Registration Reform Act* (Ontario) are expressly excluded from this Debenture.

[signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Debenture as of the date first written above.

1000602770 ONTARIO LTD.

Per: 

Name: Panveer Singh Dania

Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

FREEHOLD PROPERTY

FIRSTLY:

PIN 71491 – 0162(LT)

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS INROS223171; GUELPH

SECONDLY:

PIN 71491 – 0161(LT)

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

AND MUNICIPALLY KNOWN AS 225 SOUTHGATE DRIVE, GUELPH, ONTARIO

SCHEDULE "B"
LEASEHOLD PROPERTY

All Leaseholds included.

[TO BE LISTED, IF ANY]

SCHEDULE "C"

LOCATION AND DESCRIPTION OF COLLATERAL

Jurisdiction of Incorporation of Debtor:

Ontario

Registered Office Address of Debtor:

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Location(s) of Collateral:

225 Southgate Drive, Guelph, ON N1G 3M5

15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Description of Collateral:

(Include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification Numbers.)

EXHIBIT "G"

Properties

PIN 71491 - 0162 LT
Description LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH
Address 225 SOUTHGATE DRIVE
 GUELPH

PIN 71491 - 0161 LT
Description LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH
Address 225 SOUTHGATE DRIVE
 GUELPH

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name 1000602770 ONTARIO LTD.
Address for Service 15 Tawse Pl.,
 Puslinch, Ontario N0B2J0

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Party To(s)*Capacity**Share*

Name ROYNAT INC.
Address for Service 1235 North Service Road W, Suite 200,
 Oakville, Ontario L6M 2W2

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, WC712167 registered on 2023/09/11 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Rosemary Martins Silva 135 Queens Plate Drive Suite 600 acting for Signed 2023 09 11
 Etobicoke Applicant(s)
 M9W 6V7

Tel 416-746-4710

Fax 416-746-8319

I have the authority to sign and register the document on behalf of all parties to the document.

Rosemary Martins Silva 135 Queens Plate Drive Suite 600 acting for Signed 2023 09 11
 Etobicoke Party To(s)
 M9W 6V7

Tel 416-746-4710

Fax 416-746-8319

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

Loopstra Nixon LLP 135 Queens Plate Drive Suite 600 2023 09 11
 Etobicoke
 M9W 6V7

Tel 416-746-4710

Fax 416-746-8319

Fees/Taxes/Payment

Statutory Registration Fee \$69.00

Total Paid \$69.00

File Number

Party To Client File Number :

29947-0020 (SJN/RS)

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS INDENTURE dated this 05 day of ~~August~~, 2023.
September

B E T W E E N:

1000602770 ONTARIO LTD., a corporation incorporated under the laws of the Province of Ontario and having its chief executive office at 15 Tawse Pl., Puslinch, Ontario N0B2J0

(hereinafter called the "Company"),

OF THE FIRST PART;

-and-

ROYNAT INC., a corporation incorporated under the laws of Canada and having an office at 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

(hereinafter called "Roynat"),

OF THE SECOND PART.

September

WHEREAS by a certain debenture (the "Debenture") dated the 05th day of ~~August~~, 2023, in the face amount of Seven Million Dollars (\$7,000,000.00), which debenture was registered in the Land Registry Office for the Land Registry Division of Wellington (#61), as Instrument No. WC712167, the Company granted, mortgaged and charged to Roynat the lands and premises described therein, including those described in Schedule "A" annexed hereto (the said lands and premises together with the buildings, improvements and fixtures situate thereon being hereinafter referred to as the "Premises") to secure the payment to Roynat of the principal of, interest on and all other moneys which may become owing on or pursuant to the Debenture (whenever in this Indenture reference is made to the Debenture, it shall be deemed to include any renewals or extensions thereof and any debentures or mortgages taken in substitution therefor either in whole or in part); and

WHEREAS as security for the due performance by the Company of all the covenants contained in the Debenture, the Company has agreed to assign, transfer and set over unto Roynat all the Company's right, title and interest in any and all leases or agreements to lease (the "Leases"), now or hereafter existing, of any and all portions of the Premises, including the leases set forth in Schedule "B" hereto, and all rents, charges and other monies (the "Rents") now due and payable or hereafter to become due and payable under the Leases.

NOW THIS INDENTURE WITNESSETH that in consideration of the premises and other good and valuable consideration the Company represents, covenants and agrees with Roynat as follows:

1. **Assignment.** The Company hereby irrevocably assigns, transfers and sets over unto Roynat, subject to no prior claim or assignment, the Leases and the Rents and all benefits and advantages to be derived therefrom, including any guarantees given to the Company in respect of the Leases and Rents, to hold and receive the same unto Roynat, its successors and assigns, with full power and authority to demand, collect, sue for, recover, receive receipts for the Rents and to enforce payment of the same in the name of the Company.
2. **Where Company not in Default.** Until the Company defaults under the covenants, terms and conditions contained in this Indenture or an event of default occurs under the Debenture the Company may demand, receive, collect and enjoy the Rents only as the same fall due and payable and not in advance, but nothing shall permit or authorize the Company to collect or receive Rents contrary to the covenants contained herein.
3. **Remedies.** The Company, in the event of a default hereunder or under the Debenture, hereby authorizes Roynat, at its option and in addition to any other rights it may have hereunder or under any other agreement or at common law or in equity, to deliver to any or all of the tenants, licencees or occupiers of the Premises notices to pay all Rents to Roynat and to collect such Rents and, in addition, enter upon the Premises by its officers, agents or employees for the purpose of collecting the Rents and/or operating and maintaining the Premises. The Company hereby authorizes Roynat generally to perform all such acts, including any acts by way of enforcement of the covenants and exercise of the rights contained in the Leases or otherwise, as may in the opinion of Roynat be necessary or desirable for the proper operation and maintenance of the Premises, which acts may be performed in the name of the Company or in the name of Roynat as in the absolute discretion of Roynat may seem proper or advisable. Roynat shall, after deduction of all collection charges and all expenses, which Roynat in its absolute discretion shall deem advisable to pay for the proper operation and maintenance of the Premises, credit the remainder of the moneys which it may receive in connection with the Premises on account of any amount or amounts

due to Roynat from the Company in such manner as Roynat shall in its sole discretion determine. Notwithstanding anything herein, Roynat shall be liable to account only for such monies as shall actually come into its hands.

4. Liability of Roynat. In the exercise of the powers herein granted to Roynat, no liability shall be asserted or enforced against Roynat, all such liability being hereby expressly waived and released by the Company. Roynat shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Company shall and does hereby agree to indemnify Roynat for and to hold it harmless of and from any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of agreements contained in the Leases. Should Roynat incur any such liability, loss or damage under the Leases or by reason of this assignment, or the defence of any such claims or demands, the amount thereof, including costs, expenses and all legal fees and disbursements, shall be secured hereby, and the Company shall reimburse Roynat therefore immediately upon demand.

5. Receipts by Roynat. The Company hereby agrees that all receipts given by Roynat to any lessee under the Leases on account of any Rents paid to Roynat in accordance with the terms of this Indenture shall constitute a good and valid discharge therefor to each lessee.

6. Not Mortgagee in Possession. Nothing herein contained shall be deemed to have the effect of making Roynat responsible for the collection of the Rents or any part thereof for the performance of any covenants, terms or conditions either by the lessor or any lessee contained in the Leases and Roynat shall not by virtue of this Indenture be deemed a mortgagee in possession of the Premises.

7. Perform Covenants of Landlord. The Company shall at all times perform all of the lessor's covenants and obligations contained in the Leases and any failure on the part of the Company thereunder shall constitute a default hereunder and shall be deemed to be default under the Debenture. If so requested by Roynat, the Company will enforce the Leases and all remedies available to the Company against the lessees, in case of default under the Leases, or any of them, by the lessees.

8. Valid Leases. The Company hereby covenants with Roynat notwithstanding any act of the Company that the leases contained in Schedule "B" hereto are good, valid and subsisting leases and that the Company now has good right, full power and absolute authority to assign each such lease according to the true intent and meaning of this Indenture.

9. No Prepayment of Rents. The Company will not accept payment from any lessee in advance and will not cause payment to be made in advance on its direction for a period longer than provided in the respective lease and breach of this covenant shall be deemed to be default under the Debenture.

10. Covenants. The Company shall not without the written approval of Roynat first had and obtained:

- (a) do or omit to do any act having the effect of terminating, cancelling or accepting the surrender of the Leases or any of them;
- (b) amend, alter or vary the terms and conditions of the Leases or any of them;
- (c) waive, reduce or abate any of its rights or remedies under the Leases or the obligations of any other parties thereunder or in respect thereof;
- (d) permit any material default or breach of covenant by any lessee under the Leases; and
- (e) enter into any Leases for any part of the Premises that are not bona fide leases with lessees with whom the Company deals at arm's length. The terms of any future leases must be approved by Roynat prior to execution (such consent not to be unreasonably withheld or delayed) and shall be at rental rates and terms consistent with comparable space in the area of the Premises.

11. Waiver of Covenants. Roynat may waive any default or breach of covenant and shall not be bound to serve any notice upon any lessee under the Leases upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.

12. Further Assurances. The Company covenants and agrees from time to time and at all times hereafter at the request of Roynat to execute and deliver at the expense of the Company such further assurances for better and more perfectly assigning to Roynat any Leases whether presently existing or hereafter created and the Rents payable thereunder in the manner aforesaid as Roynat may require and to execute, deliver and register, at the expense of the Company, all such documents as may be required to preserve, perfect and protect the security constituted hereby including all such renewals as may be required by relevant legislation, including the *Personal Property Security Act*.

13. Re-assignment. The assignment, transfer and setting over herein provided shall not be revoked or rescinded by any variation of the terms of the Debenture or any extension of time for payment or otherwise but shall remain in full force and effect until the Company shall have performed all of its obligations under the Debenture. A discharge of the Debenture executed by Roynat shall operate as a re-assignment of the Leases and Rents without the need for any further conveyance, but Roynat shall, at the request and at the expense of the Company, execute and deliver a full re-assignment to the Company of the Leases and Rents and its all right, title and interest therein.

14. Binding Effect and Governing Law. This Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Indenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Indenture.

1000602770 ONTARIO LTD.

DocuSigned by:
Per Panveer Singh Dania
9F9F41729B84786
Name: Panveer Singh Dania
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"
DESCRIPTION OF PROPERTY

FIRSTLY:

PIN 71491 – 0162(LT)

LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS INROS223171; GUELPH

SECONDLY:

PIN 71491 – 0161(LT)

LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH

AND MUNICIPALLY KNOWN AS 225 SOUTHGATE DRIVE, GUELPH, ONTARIO

SCHEDULE "B"
LEASES

A lease dated _____, 20____ between _____ and _____, notice of which was registered in the Land Registry Office for the Registry
Division of _____ on the _____ day of _____, 20____ as Instrument No. _____.

N/A

EXHIBIT "H"

ROYNAT INC.

GUARANTEE AND INDEMNITY

TO: **ROYNAT INC. ("Roynat")**

DATE: ~~August~~ **September** 05, 2023

RECITALS:

- A. Pursuant to an offer of finance dated as of August 14, 2023 (as amended, restated, modified or replaced from time to time, the "Offer of Finance") issued by Roynat in favour of **1000602770 Ontario Ltd.** (the "**Borrower**"), Roynat has agreed to make certain financing available to the Borrower.
- B. The undersigned (the "**Guarantors**") are required to deliver this Guarantee and Indemnity (this "**Agreement**") under the terms of the Offer of Finance and will derive substantial direct and indirect benefits and advantages from the financing provided to the Borrower under the Offer of Finance.

NOW THEREFORE FOR GOOD AND VALUABLE CONSIDERATION the receipt and sufficiency of which are hereby acknowledged and intending to be legally bound by this Agreement, the Guarantors agree as follows:

SECTION 1.
GUARANTEE

- 1.1 The Guarantors unconditionally guarantee payment and performance to Roynat of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Borrower to Roynat wherever incurred and whether incurred by the Borrower alone or with another or others, including, without limitation, all the principal of, interest on and all other moneys owing under or in connection with the Offer of Finance as and when the same become due and payable according to the terms of the Offer of Finance (the "Guaranteed Liabilities"). This guarantee shall be a continuing guarantee and shall guarantee the Guaranteed Obligations and any ultimate balance thereof, notwithstanding that the Borrower may from time to time satisfy the Guaranteed Liabilities in whole or in part and thereafter incur further Guaranteed Liabilities.
- 1.2 The Guarantors hereby acknowledge communication of the terms of the Offer of Finance and consent to and approve of the same. The guarantee herein contained shall take effect and be binding upon the Guarantors notwithstanding any defect in or omission from any documentation or security delivered by the Borrower to Roynat or any default in or omission from the Offer of Finance or any non registration or non filing or defective registration or filing or by reason of any failure of the security delivered pursuant to the Offer of Finance or any other security.

- 1.3 The liability of the Guarantors under Section 1.1 hereof shall be joint and several (and, in the Province of Quebec, solidary) with that of the Borrower and shall be absolute and unconditional. The Guarantors shall for all purposes of the guarantee be regarded as in the same position as principal debtors, and hereby expressly waive demand, presentment, protest and notice thereof and of default. The obligation of the Guarantors hereunder shall be deemed to arise in respect of each default.

SECTION 2. **INDEMNITY**

- 2.1 In addition to the guarantee provided in Section 1, and as a separate and distinct obligation, the Guarantors also unconditionally agree that, if the Borrower does not unconditionally and irrevocably pay and satisfy any of the Guaranteed Liabilities when due and those Guaranteed Liabilities are not recoverable from the Guarantors for any reason under Section 1, the Guarantors shall indemnify Roynat immediately on demand against any direct and indirect claims, demands, losses, damages, liabilities charges, obligations, payments and expenses of any nature or kind, howsoever or whenever arising, which Roynat may suffer or incur in any way relating to or arising from:

- (a) the failure of the Borrower to pay and satisfy the Guaranteed Liabilities; or
- (b) the Guaranteed Liabilities or any agreement creating or relating to any or all Guaranteed Liabilities in any way being or becoming for any reason whatsoever, in whole or in part, void, voidable, ultra vires, illegal, invalid, ineffective or otherwise unenforceable or released or discharged by operation of law or otherwise;

provided that any payment actually made by the Guarantors to Roynat under section 1 shall reduce the liability of the Guarantors under this section 2 by the same amount.

SECTION 3. **DEFAULT AND ENFORCEMENT**

- 3.1 If the Borrower shall make default in payment of the principal of, interest on or any other moneys owing to Roynat on any of the Guaranteed Liabilities including, without limitation, any principal of, interest on or other monies owing under the Offer of Finance as and when the same become due and payable, then the Guarantors shall forthwith on demand by Roynat pay to Roynat the principal, interest and other moneys in default.
- 3.2 If the Guarantors shall fail forthwith on demand to make good any such default, Roynat may in its discretion proceed with the enforcement of its rights hereunder and may proceed to enforce such rights or from time to time any thereof prior to, contemporaneously with or after any action taken under any security or other documents delivered by the Borrower or others to Roynat, including the Offer of Finance. The Guarantors shall pay on demand all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) incurred by Roynat in enforcing or attempting to enforce its rights hereunder and all proceedings taken in relation hereto; all such costs and expenses

and other moneys payable hereunder shall bear interest at the highest rate per annum applicable from time to time to any of the Guaranteed Liabilities. Such interest shall be calculated and payable monthly not in advance both before and after judgment on the first day of each month after such demand.

- 3.3 All sums paid to or recovered by Roynat pursuant to the provisions hereof shall be applied by it in payment of its costs and expenses payable hereunder and the principal, interest and other moneys owing to Roynat including, without limitation, all amounts owing under or in connection with the Offer of Finance in such order as Roynat in its sole discretion may determine.
- 3.4 Roynat may waive any default of the Guarantors hereunder upon such terms and conditions as it may determine provided that no such waiver shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom.
- 3.5 Any moneys paid by or recovered from the Guarantors hereunder shall be held to have been paid pro tanto in discharge of the liability of the Guarantors hereunder, but not in discharge of the liability of the Borrower, and in the event of any such payment by or recovery from the Guarantors, the Guarantors hereby assign any rights with respect to or arising from such payment or recovery (including without limitation any right of subrogation) to Roynat unless or until Roynat has received in the aggregate payment in full of all moneys owing to Roynat including, without limitation, amounts owing under or in connection with the Offer of Finance. If the Guarantors receive money in payment of any such debts and liabilities, the Guarantors will hold them in trust for, and will immediately pay funds to Roynat without reducing the Guarantors' liability under this Agreement.

SECTION 4. **ABSOLUTE LIABILITY**

- 2.1 The liability of the Guarantors under this Agreement is absolute and unconditional. It will not be limited or reduced, nor will Roynat be responsible or owe any duty (as a fiduciary or otherwise) to the Guarantors, nor will Roynat's rights under this Agreement be prejudiced, by the existence or occurrence (with or without the Guarantors' knowledge or consent) of any one or more of the following events:
- (a) any termination, invalidity, unenforceability or release by Roynat, whole or in part, of any of its rights against the Borrower or against any other person or of any security, including without limitation by reason of prescription, by operation of law or as a result of any applicable statute, law or regulation;
- (b) any increase, reduction, renewal, substitution or other change in, or discontinuance of, the terms relating to the Guaranteed Liabilities or to any credit extended by Roynat to the Borrower; any agreement to any proposal or scheme of arrangement concerning, or granting any extensions of time or any other indulgences or concessions to, the Borrower or any other person;

- (c) any taking or giving up of any security; abstaining from taking, perfecting, filing or registering any security; allowing any security to lapse (whether by failing to make or maintain any registration, filing or otherwise); or any neglect or omission by Roynat in respect of, or in the course of, doing any of these things;
- (d) accepting compositions from compromises, arrangements or plans of reorganizations or granting releases or discharges to the Borrower or any other person, or any other dealing with the Borrower or any other person or with any security that Roynat considers appropriate;
- (e) any unenforceability or loss of or in respect of the Offer of Finance or any security held from time to time by Roynat from the undersigned, the Borrower or any other person, whether the loss is due to the means or timing of any registration, disposition or realization of any collateral that is the subject of that security or otherwise due to Roynat's fault or any other reason;
- (f) any change in the Borrower, the Borrower's assets or the Borrower's business, including the corporate existence, structure, ownership or control of the Borrower (including any of the foregoing arising from any merger, consolidation, amalgamation, reorganization or similar transaction); any change in the name, objects, capital, constating documents or by-laws of the Borrower; or the dissolution, winding-up, liquidation or other distribution of the assets of the Borrower, whether voluntary or otherwise;
- (g) any change in the Borrower's name; or any reorganization (whether by way of amalgamation, merger, transfer, sale lease or otherwise) of the Borrower, the Borrower's assets or the Borrower's business;
- (h) the Borrower or Guarantors becoming insolvent or bankrupt or subject to any proceeding under the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the arrangement provisions of applicable corporate legislation, any legislation similar to the foregoing in any other jurisdiction, or any legislation enacted substantially in replacement of any of the foregoing, or Roynat's voting in favour of any proposal, arrangement or compromise in connection with any of the foregoing;
- (i) any change of effective control of the Borrower or Guarantors;
- (j) any event, whether or not attributable to Roynat, that may be considered to have caused or accelerated the bankruptcy or insolvency of the Borrower, the Guarantors or any other guarantor, or to have resulted in the initiation of any such proceedings;
- (k) Roynat's filing of any claim for payment with any administrator, provisional liquidator, conservator, trustee, receiver, custodian or other similar officer appointed for the Borrower or for all or substantially all of the Borrower's assets;

- (l) any failure by Roynat to abide by any of the terms and conditions of Roynat's agreements with, or to meet any of its obligations or duties owed to, the undersigned, the Borrower or any person, or any breach of any duty (whether as a fiduciary or otherwise) that exists or is alleged to exist between Roynat and the Guarantors, the Borrower or any person;
- (m) any incapacity, disability, or lack or limitation of status or of the power of the Borrower or of the Borrower's directors, managers, officers, partners or agents; the discovery that the Borrower is not or may not be a legal entity; or any irregularity, defect or informality in the incurring of any of the Guaranteed Liabilities;
- (n) any right or alleged right of set-off, combination of accounts, counterclaim, appropriation or application or any claim or demand that the Borrower or the Guarantors may have or may allege to have against Roynat;
- (o) any event whatsoever that might be a defence available to, or result in a reduction or discharge of, the Guarantors, the Borrower or any other person in respect of either the Borrower's debts or the Guarantors' liability under this Agreement; or
- (p) any amendment to any, some or all of the Offer of Finance or any other security or agreements entered into under or in connection therewith.

For greater certainty, the undersigned agree that Roynat may deal with the Guarantors, the Borrower and any other person in any manner without affecting the Guarantors' liability under this Agreement.

Any claims by the Guarantors against Roynat and its agents in respect of any of the foregoing matters or otherwise are hereby waived.

- 2.2 After all moneys payable by the Borrower to Roynat including, without limitation, amounts owing under the Offer of Finance, have been paid in full, this Agreement shall cease and become null and void and Roynat shall, at the request and at the expense of the Guarantors execute and deliver a release (in form and substance satisfactory to Roynat acting reasonably) to the Guarantors.

SECTION 5. **REPRESENTATIONS AND WARRANTIES**

- 5.1 The Guarantors represent and warrant to the Roynat as follows, and acknowledge that Roynat is relying on such representations and warranties as a basis for extending and maintaining the extension of credit to the Borrower:
 - (a) the Guarantors are duly incorporated, existing and in good standing under the laws of their jurisdictions of incorporation; they have full corporate power, authority and capacity to enter into and perform their obligations hereunder; all necessary action has been taken by their directors or shareholders and otherwise to authorize the execution and delivery of this Agreement and the performance of their obligations

hereunder; the Guarantors have, to the extent required by law, disclosed to their shareholders all information required with respect to the delivery of this Agreement; there is no provision in any unanimous shareholder agreement which restricts or limits their powers to enter into or perform their obligations under this Agreement; and none of the execution or delivery of this Agreement, or compliance with the provisions of this Agreement conflicts with, or results in a breach of its charter documents or by-laws; and

- (b) none of the execution or delivery of this Agreement, or compliance by the Guarantors with the provisions of this Agreement conflicts with or results in a breach of any agreement or instrument to which the Guarantors are parties or by which the Guarantors or any of the Guarantors' assets are bound or affected, or requires the consent of any other person (other than any consents which have been obtained).

SECTION 6.

POSTPONEMENT AND SUBORDINATION

- 6.1 Payment of all present and future indebtedness, liabilities and obligations of the Borrower to the Guarantors (the "**Postponed Indebtedness**") is hereby postponed to payment and performance of all the Guaranteed Liabilities. The Guarantors agree that the Guarantors shall not, except to the extent consented to by Roynat in writing, receive any payment of principal, interest or any other amount in respect of any Postponed Indebtedness until all the Guaranteed Liabilities have been paid and satisfied in full. If any portion of the Postponed Indebtedness is paid in contravention of this Agreement, the Guarantors shall hold such amount in trust for Roynat and immediately pay such amount to Roynat. If the Guarantors now or in the future hold any security for payment of any Postponed Indebtedness (the "Postponed Security"), the Postponed Security and the security interests constituted thereby are hereby postponed and subordinated to all present and future security and security interests held by Roynat in respect of any Guaranteed Liabilities, notwithstanding the order of execution, delivery, registration or perfection of such security or security interests, the order of advancement of funds, the order of crystallization of security, or any other matter which may affect the relative priorities of such security or security interests. The Guarantors shall not initiate or take any action to enforce the Postponed Security without the prior written consent of Roynat.

SECTION 7.

MISCELLANEOUS

- 7.1 Without prejudice to any other method of giving notice, all communications provided for or permitted hereunder shall be in writing and delivered to the addressee by prepaid courier or sent by fax or other direct written electronic means, to the address of the addressee noted in the Offer of Finance. Any notice, demand or other communication so given prior to 5:00 p.m. (in the jurisdiction of the intended recipient) on a Business Day by personal delivery or by fax shall be deemed to have been given, received and made on such Business Day and if so given after 5:00 p.m. (in the jurisdiction of the intended recipient) on a

Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner. "**Business Day**" means a day (other than a Saturday or Sunday) on which banks are generally open for business in the jurisdiction of the intended recipient.

- 7.2 The records of Roynat as to the unpaid balance of the Guaranteed Liabilities due at any time shall constitute conclusive evidence that the said amount is so due, in the absence of manifest error.
- 7.3 The Guarantors shall make payment to Roynat hereunder in the same currency as is required to be paid by the Borrower to Roynat in respect of the Guaranteed Liabilities (the "**Required Currency**"). If the Guarantors make payment to Roynat hereunder in any other currency (the "**Payment Currency**"), such payment shall constitute satisfaction of the said liability of the Guarantors hereunder only to the extent that Roynat is able to purchase Required Currency with the amount of the Payment Currency received from the Guarantors on the date of receipt, in accordance with Roynat's normal practice; and the Guarantors shall remain liable for any deficiency together with interest thereon payable pursuant to section 3.2.
- 7.4 If at any time all or any part of any payment previously applied by Roynat to any portion of the Guaranteed Liabilities is rescinded or returned by Roynat for any reason whatsoever, whether voluntarily or involuntarily (including, without limitation, as a result of or in connection with the insolvency, bankruptcy or reorganization of the Borrower or the Guarantors, or any allegation that Roynat received a payment in the nature of a preference), then to the extent that such payment is rescinded or returned, such portion of the Guaranteed Liabilities shall be deemed to have continued in existence notwithstanding such initial application, and this Agreement shall continue to be effective or be reinstated, as the case may be, as to such portion of the Guaranteed Liabilities as though such payment had not been made.
- 7.5 The Guarantors agree, at the Guarantors' own expense, to promptly execute and deliver or cause to be executed and delivered to Roynat, upon Roynat's request from time to time, all such other and further documents, agreements, opinions, certificates and instruments as are required under this Agreement or as may be reasonably requested by Roynat if necessary or desirable to more fully record or evidence the obligations intended to be entered into herein.
- 7.6 This Agreement shall be construed in accordance with and governed by the laws of the Province of ONTARIO and the laws of Canada applicable therein regardless of the party's location at the time of entering into this Agreement. Without prejudice to the right of Roynat to commence any proceedings with respect to this Agreement in any other proper jurisdiction, the Guarantors hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Province of ONTARIO.

- 7.7 If the Guarantors are natural persons, the Guarantors acknowledge and agree that the Guarantors have obtained independent legal advice from the Guarantors' legal counsel prior to the execution of this Agreement by the Guarantors, and that the Guarantors understand the terms of, and their rights and obligations under, this Agreement.
- 7.8 This Agreement may be executed and delivered **electronically (including through Docusign and similar applications)** by facsimile, pdf or other similar electronic transmission by the Guarantors to Roynat and such delivery will be as effective as delivery of a manually executed copy of this Agreement by the Guarantors. If this Agreement is executed and delivered by the Guarantors electronically or by facsimile, pdf or other similar electronic transmission, the Guarantors shall, at the request of Roynat, forthwith deliver an originally executed copy to Roynat.
- 7.9 The Guarantors and Roynat have expressly required that this Guarantee and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
- 7.10 This Agreement shall enure to the benefit of Roynat and its successors and assigns and be binding upon the heirs, executors, administrators, personal representatives and successors of the Guarantors.

SECTION 8.
LIMITATION ON LIABILITY

- 8.1 Notwithstanding anything herein contained, it is agreed by and between Roynat and the Guarantors that the liability of the Guarantors hereunder shall be limited to the sum of (i) \$7,000,000.00 and (ii) all costs and expenses payable by the Guarantors hereunder, together with interest thereon at the rate set out in Section 3.2 above from the date of demand by Roynat on the Guarantors hereunder until payment in full by the Guarantors of all moneys owing hereunder.**

[execution page follows]

IN WITNESS WHEREOF the Guarantors have executed this Agreement as of the date first written above.

TRISTAR CARRIERS LTD.

DocuSigned by:
Per: Panveer Singh Dania
Name: Panveer Singh Dania
Title: President

I have authority to bind the Corporation.

EXHIBIT "I"

ROYNAT INC.

GENERAL SECURITY AGREEMENT

TO: ROYNAT INC. ("Roynat")

Address: 1235 North Service Road W, Suite 200, Oakville, Ontario L6M 2W2

Fax No.:

Email: Elaine.Broitman@roynat.com

Email: notifications@roynat.com

[Note: notices sent to Roynat by email must be sent to both email addresses above.]

FROM: TRISTAR CARRIERS LTD. (the "Debtor")

Address: 15 Tawse Pl., Puslinch, Ontario, Canada, N0B2J0

Fax No.: 519-836-2126

Email: dave@tristarcarriers.net

DATE: 05 day of August, 2023

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound by this general security agreement (this "**Security Agreement**"), the Debtor agrees as follows:

1. **Definitions.** In this Security Agreement:

- (a) "**Applicable Province**" means the Province of Ontario.
- (b) "**Business Day**" means any day other than a Saturday, a Sunday or any day on which commercial banks are required to be closed for business in the Applicable Province.
- (c) "**Collateral**" means, collectively, all of the undertaking, property and assets of the Debtor, both real and personal, immovable and moveable, tangible and intangible, legal and equitable, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now has, or may hereafter have, any right, title or interest including, without limitation:
 - (i) Intangibles – all intangible property of the Debtor including, without limitation, book debts and accounts, claims, choses in action, contractual rights, insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property;
 - (ii) Books and Records – all of the Debtor's manuals, publications, letters, deeds, documents, writings, notes, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

Error! Unknown document property name.

- (iii) Equipment – all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property (excluding Inventory), and all plans, diagrams, drawings, specifications and manuals relating thereto, and including, without limitation, the equipment described in Schedule "A" hereto, if any;
- (iv) Inventory – all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "Inventory");
- (v) Real Property – all of the Debtor's real and immovable property, both freehold and leasehold, now or hereafter owned, acquired or occupied by the Debtor, together with all buildings, erections, improvements and fixtures situate upon or used in connection therewith, including any lease, verbal or written, or any agreement therefor (collectively, the "**Real Property**");
- (vi) Investment Property – all of the Debtor's investment property including, without limitation, shares, stocks, warrants, bonds, debentures and debenture stock, securities (whether certificated or uncertificated), financial assets, security entitlements, securities accounts, futures contracts and futures accounts (collectively, "**Investment Property**");
- (vii) Other Property – all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the PPSA governing this Security Agreement); and
- (viii) **Proceeds** – all of the Debtor's property in any form derived directly or indirectly from any use or dealing with the Collateral or any property or assets of the Debtor or the proceeds therefrom including, without limitation, any payment representing indemnity or compensation for loss of or damage to such property or assets or the proceeds therefrom, any payment made in total or partial discharge or redemption of an intangible, chattel paper, an instrument or Investment Property, and rights arising out of, or property collected on, or distributed on account of, Investment Property (collectively, the "**Proceeds**");

but excluding (1) any consumer goods, and (2) the last day of the term of any lease, verbal or written, or any agreement therefor, now held or hereafter held by the Debtor, but the Debtor shall stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

- (d) "**Lien**" means a security interest, mortgage, charge, lien, hypothec, assignment by way of security, claim, encumbrance, or federal or provincial government priority claim arising pursuant to statute including any deemed trust.
- (e) "**Obligations**" means, collectively, all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, matured or not, liquidated or unliquidated, of whatsoever nature or kind, and wheresoever and however incurred, and whether incurred as principal or as surety, and whether incurred alone or with others, in any currency or otherwise, and any ultimate unpaid balance thereof, and whether such indebtedness, liabilities and obligations are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether they are incurred by the Debtor under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor, including, without limitation, indebtedness, liabilities and obligations of the Debtor to Roynat under (i) any and all letter agreements and offers of finance or offers to lease entered into by the Debtor and Roynat from time to time (as amended, restated, modified, substituted or replaced from time to time, each, an "**Offer of Finance**"), (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Security Agreement and any

other security delivered to Roynat by the Debtor from time to time (the agreements and documents referred to in (i), (ii) and (iii) being collectively referred to as the "**Financing Documents**").

- (f) "**PPSA**" means the Personal Property Security Act and the regulations thereunder, in effect from time to time in the Applicable Province.

2. **Security Interest.** As security for the payment and performance of all Obligations, the Debtor:

- (a) mortgages and charges, as and by way of a floating charge, and grants a security interest to and in favour of Roynat in, all of its present and future interests in Real Property. The security interest created hereby is intended as a floating charge that will attach as provided in Section 3 below. The floating charge shall become a fixed charge upon the earlier of (i) Roynat notifying the Debtor to that effect and (ii) an Event of Default occurring and continuing;
- (b) mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge, and grants a security interest to and in favour of Roynat in, all of its present and after-acquired personal property including, without limitation, all other Collateral, not subject to the charges and security interests in Section 2(a) above.

3. **Attachment.** The Debtor acknowledges and agrees that value has been given, the Debtor has rights in all of the Collateral in which the Debtor has an interest upon the execution of this Security Agreement, and the Debtor will have rights in all of the Collateral in which the Debtor acquires an interest after the execution of this Security Agreement. The attachment of the security interest given hereunder has not been postponed and such security interest will attach, as to all Collateral in which the Debtor has an interest upon the execution of this Security Agreement, immediately upon the execution of this Security Agreement and, as to all Collateral in which the Debtor acquires an interest after the execution of this Security Agreement, immediately when the Debtor acquires such interest.

4. **Representations, Warranties and Covenants.**

- (a) The Debtor represents and warrants to Roynat as follows, and acknowledges that Roynat is relying on such representations and warranties as a basis for extending and maintaining the extension of credit to the Debtor:
- (i) Incorporation and Existence – the Debtor is duly incorporated, existing and in good standing under the laws of its jurisdiction of incorporation; it has full corporate power, authority and capacity to enter into and perform its obligations hereunder; all necessary action has been taken by its directors or shareholders and otherwise to authorize the execution and delivery of this Security Agreement and the performance of its obligations hereunder; the Debtor has, to the extent required by law, disclosed to its shareholders all information required with respect to the delivery of this Security Agreement; there is no provision in any unanimous shareholder agreement which restricts or limits its powers to enter into or perform its obligations under this Security Agreement; and none of the execution or delivery of this Security Agreement, or compliance with the provisions of this Security Agreement conflicts with, or results in a breach of its charter documents or by-laws;
- (ii) No Conflict – none of the execution or delivery of this Security Agreement, or compliance by the Debtor with the provisions of this Security Agreement, conflicts with or results in a breach of any agreement or instrument to which the Debtor is a party or by which the Debtor or any of the Debtor's property or assets are bound or affected, or requires the consent of any other person (other than any consents which have been obtained);
- (iii) Ownership of Collateral – the Collateral is owned, and the Collateral acquired after the date of this Security Agreement shall be owned, by the Debtor free of all Liens other than

those given by the Debtor to Roynat or expressly permitted under any Financing Document; and

- (iv) Enforceability – this Security Agreement constitutes a valid and legally binding obligation of the Debtor enforceable against the Debtor in accordance with its terms.
- (b) The Debtor declares, covenants and agrees that it:
- (i) To Pay Rents and Taxes – shall pay all rents, taxes and assessments lawfully imposed upon the Real Property where the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat, on request, receipts for such payment;
 - (ii) Conduct of Business – shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;
 - (iii) Not to Sell – shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell, consign or otherwise dispose or part with possession of any of the Collateral;
 - (iv) No Other Liens – shall not create, assume or suffer to exist any Lien upon any Collateral except as expressly permitted in any applicable Financing Document. No provision in this Security Agreement shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other Lien, whether or not it is permitted;
 - (v) To Hold Proceeds of Unauthorized Sale in Trust – in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Security Agreement by Roynat, in any manner not authorized by this Security Agreement, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Security Agreement by Roynat, and such proceeds shall be subject to the security interest granted under this Security Agreement;
 - (vi) To Insure – shall keep insured the Collateral to its full insurable value, or in such amounts as Roynat may reasonably require, against all risks, with insurers approved by Roynat, with loss payable to Roynat as first loss payee and additional insured, and will pay all premiums necessary for such purposes as the same shall become due. Upon request, the Debtor shall provide evidence of such insurance to Roynat;
 - (vii) Inspection by Roynat – shall allow any employees of Roynat, or third parties retained by Roynat, at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and to make extracts therefrom, and shall permit Roynat prompt access to such other persons as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of third parties retained by Roynat for purposes of inspection under this Section 4(b)(vii);
 - (viii) Use and Maintenance – shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified

personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;

- (ix) Possession and Control – shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Debtor shall also take such steps as Roynat may require to enable Roynat to obtain control of any Investment Property forming part of the Collateral in a manner satisfactory to Roynat including, without limitation, (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control of such Investment Property, (b) delivering any certificated security to Roynat with any necessary endorsement, and (c) having any security registered in the name of Roynat or its nominee;
- (x) Location of Collateral – shall keep the Collateral in the location(s) set forth in Schedule "A" hereto, except for goods in transit to such location(s) or for Inventory on lease or consignment, or with the prior written consent of Roynat, and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords;
- (xi) No Affixation – shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Security Agreement and shall register such notice or documents against the title to such premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested;
- (xii) Registered Office/Jurisdiction of Incorporation – shall not change its jurisdiction of incorporation or registered office address from that listed in Schedule "A" without the prior written consent of Roynat; and
- (xiii) General Indemnity – shall indemnify Roynat and each of its directors and officers, and save them fully harmless from and against, any and all losses, costs, damages, expenses, claims and liabilities which they may suffer or incur in connection with any failure by the Debtor to perform any of its covenants or obligations under this Security Agreement.

5. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Security Agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.
6. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any Lien ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such Lien, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the

highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.

7. **Events of Default.** Each of the following events shall constitute an "**Event of Default**":
- (a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or
 - (b) the failure of the Debtor to pay or satisfy any of the Obligations when due; or
 - (c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.
8. **Enforcement.** Upon the happening of any Event of Default, the security granted herein shall become immediately enforceable and Roynat may at its option declare this Security Agreement to be in default and may exercise any rights, powers or remedies available to Roynat at law or in equity or under the PPSA or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:
- (a) without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;
 - (b) declare the full amount of the Obligations to be immediately due and payable;
 - (c) terminate the Debtor's right to possession of the Collateral, require the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;
 - (d) enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;
 - (e) sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral, whether by public or private sale, as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement and, after deducting from the proceeds of sale all costs and expenses incurred in the repossession, sale, lease or other disposition of the Collateral (including complete reimbursement of all legal fees and disbursements), apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for moneys actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;
 - (f) in accordance with applicable law, appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;
 - (g) apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;
 - (h) have any instruments or Investment Property registered in its name or in the name of its nominee and be entitled but not required to exercise voting and other rights that the holder of such Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise

of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and

- (i) retain the Collateral in satisfaction of the Obligations.

The fact that this Security Agreement provides for defaults and rights of acceleration shall not derogate from the demand nature of any Obligations that are payable on demand.

9. Powers of Receiver.

- (a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Security Agreement and, in addition, shall have the following powers:
 - (i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor, and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;
 - (ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat, and for that purpose to take any proceedings in the name of the Debtor or otherwise; and
 - (iii) to carry on or concur in carrying on the business of the Debtor or any part thereof, and for such purpose the receiver may borrow money on the security of the Collateral in priority to this Security Agreement.
- (b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:
 - (i) carrying on and managing the business and affairs of the Debtor; and
 - (ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder, and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

10. Application of Moneys. All moneys actually received by Roynat or by the receiver pursuant to Sections 8 and 9 of this Security Agreement shall be applied:

- (a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 9(a)) ranking in priority to the security interest created by this Security Agreement, as directed by Roynat or the receiver;
- (b) second, in payment of all costs, charges and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of, or incidental to, or which in any way relate to the appointment of, the receiver and the exercise by the receiver or Roynat of all or any of the powers granted to them under this Security Agreement, including the reasonable remuneration of the receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;
- (c) third, in or towards the payment to Roynat of all other Obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;

- (d) fourth, in or towards the payment of the obligations of the Debtor to persons, if any, with security interests against Collateral ranking subsequent to those in favour of Roynat; and
- (e) fifth, subject to applicable law, any surplus shall be paid to the Debtor.
11. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from Roynat or any such Receiver to assemble and deliver possession of the Collateral at such place or places as directed.
12. **Realization Costs.** The Debtor shall pay all costs, charges and expenses (including all legal fees and disbursements on a solicitor and own client and full indemnity basis) of Roynat, and any receiver appointed by it, incidental to or which in any way relate to this Security Agreement or its enforcement, including (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Security Agreement or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing. All such costs and expenses and other moneys payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.
13. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 10(c) hereof.
14. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay any of its Obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Security Agreement. All reasonable fees and expenses of the Monitor (including complete reimbursement of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option, upon the occurrence of an Event of Default, appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.
15. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may, at the option of Roynat, be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.
16. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder, and the acceptance of any payment or other

security shall not constitute or create any novation. The execution and delivery of this Security Agreement or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance.

17. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings, or refraining from so doing, or any other dealings with any other security for the Obligations secured hereby, shall not release or affect the security created hereby.
18. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit, and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.
19. **Assignment.** This Security Agreement may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Security Agreement or any of its rights or obligations hereunder. This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Security Agreement and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.
20. **Limited Power of Attorney.** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by Roynat or any receiver to give effect to this Security Agreement or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.
21. **Amalgamation.** The Debtor acknowledges that if it amalgamates with one or more corporations (a) the Collateral and the security interest created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor" used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term "Obligations" used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 21 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.
22. **Severability.** Each of the provisions contained in this Security Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Security Agreement.
23. **Notices.** Without prejudice to any other method of giving notice, any notice, demand or other communication required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto (each, a "notice") shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication, or by sending the same by registered mail, postage prepaid, to Roynat or to the Debtor at their respective addresses set out above and, in the case of facsimile or electronic communication, to the facsimile numbers or email addresses set out above, as applicable. Any notice

personally delivered shall be conclusively deemed to have been received when personally delivered, and any notice sent by facsimile or other means of electronic transmission shall be conclusively deemed to have been received on the Business Day following the sending of the notice, and any notice sent by registered mail shall be conclusively deemed to have been received on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto. Notwithstanding the foregoing, if the PPSA requires that notice be given in a special manner, then such notice shall be given in such manner.

24. **[ALBERTA AND SASKATCHEWAN] Waiver of Certain Legislation.** The Debtor hereby declares and covenants that:

- (a) *The Land Contracts (Actions) Act, 2018* (Saskatchewan) shall have no application to any action as defined in *The Land Contracts (Actions) Act* with respect to this Security Agreement, any agreement renewing or extending this Security Agreement, any of the Collateral, or any supplemental or collateral security granted to Roynat, or to the rights, powers and remedies of Roynat under or in respect of any of the foregoing, and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;
- (b) *The Limitation of Civil Rights Act* (Saskatchewan) shall have no application to: (i) this Security Agreement; (ii) any indenture, instrument or agreement entered into by the Debtor, at any time hereafter, supplemental, collateral or ancillary hereto or in implementation of this Security Agreement or any Offer of Finance and involving the payment by the Debtor of money or the liability of the Debtor to pay money; (iii) any mortgage, charge or other security for the payment of the money made, given or created by this Security Agreement; (iv) any instrument or agreement entered into by the Debtor at any time hereafter, renewing or extending or collateral to this Security Agreement or any other security given to Roynat by the Debtor; or (v) the rights, powers or remedies of Roynat or a receiver or any other person under this Security Agreement or under any other security granted by the Debtor to Roynat or instrument or agreement collateral, supplemental or ancillary hereto or referred to in this Security Agreement; and the Debtor waives any rights, benefits and protection that may be available to it under the said Act;
- (c) to the extent permitted by law, the Debtor expressly and irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild any real property or any improvements thereon including, without limitation, the Insurance Act (Alberta), the *Fire Prevention (Metropolis) Act, 14 Geo. III, 1774 (Imp.)*, c. 78; and
- (d) to the extent that the *Expropriations Act* (Alberta) applies to the expropriation of real property interests and any restrictions imposed upon Roynat on its recovery of compensation for expropriation which is less than the Obligations at the date of any expropriation, the Debtor hereby waives the provisions of the *Expropriation Act* (Alberta) insofar as they relate to such restriction and further waives any provisions which may be enacted and in force from time to time in replacement or in addition to such provisions of the *Expropriation Act* (Alberta); and

25. **[BRITISH COLUMBIA] Right of Consolidation.**

- (a) The right of consolidation shall apply to this Security Agreement notwithstanding Section 31 of the *Property Law Act* (British Columbia) or any similar statutory provision in force from time to time.
- (b) For the purposes of Section 203 of the *Land Title Act* (British Columbia), the floating charge hereby created over the Debtor's real and immovable property, both freehold and leasehold, shall become a fixed charge thereon upon the earlier of (i) the occurrence of an Event of Default, or (ii) Roynat taking any actions pursuant to this Security Agreement to enforce and realize on the security hereby constituted.

26. **General.**

- (a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its security interest in the Collateral, to protect and preserve its interest in the Collateral, and to realize upon the Collateral.
- (b) Nothing in this Security Agreement will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.
- (c) If more than one Debtor executes this Security Agreement, the obligations of such Debtors hereunder shall be joint and several.
- (d) The division of this Security Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Security Agreement.
- (e) When the context so requires, the singular shall include the plural and vice versa, and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.
- (f) Time is of the essence in this Security Agreement.
- (g) The Debtor and Roynat have expressly required that this Security Agreement and all documents and notices relating hereto be drafted in English. Les parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais.
- (h) This Agreement may be executed and delivered electronically (including through DocuSign and similar applications) by facsimile, pdf or other similar electronic transmission by the Debtor to Roynat and such delivery will be as effective as delivery of a manually executed copy of this Agreement by the Debtor. If this Agreement is executed and delivered by the Debtor electronically or by facsimile, pdf or other similar electronic transmission, the Debtor shall, at the request of Roynat, forthwith deliver an originally executed copy to Roynat.

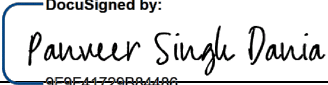
27. **Receipt.** The Debtor acknowledges that it has received an executed copy of this Security Agreement and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Security Agreement or any supplemental or collateral security granted to Roynat.

28. **Governing Law.** This Security Agreement or any amendment or renewal thereof will be governed by and construed in accordance with the laws of the Applicable Province and the laws of Canada applicable therein regardless of the party's location at the time of entering into this Agreement. Without prejudice to the right of Roynat to commence any proceedings with respect to this Security Agreement in any other proper jurisdiction, the Debtor hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Applicable Province.

[signature page follows]

The Debtor has duly executed this Security Agreement as of the date first written above.

TRISTAR CARRIERS LTD.

DocuSigned by:

Per: _____
Name: Panveer Singh Dania
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

LOCATION AND DESCRIPTION OF COLLATERAL

Jurisdiction of Incorporation of Debtor:

Ontario

Registered Office Address of Debtor:

15 Tawse Pl., Puslinch, Ontario N0B2J0

Location(s) of Collateral:

15 Tawse Pl., Puslinch, Ontario N0B2J0

Description of Collateral:

(Include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification Numbers.)

EXHIBIT "J"

Enquiry Result

File Currency: 04JUL 2024



All Pages ▾



Note: All pages have been returned.

| | | | | | | | | | |
|---|---------------------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 1000602770 ONTARIO LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 796586265 | 1 | 1 | 1 | 1 | 25AUG 2031 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 796586265 | | 001 | 1 | | 20230825 1541 1590 7749 | P PPSA | 8 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | 1000602770 ONTARIO LTD. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 15 TAWSE PL. | | | | PUSLINCH | ON | N0B 2J0 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | 1000602770 ONTARIO LTD. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 225 SOUTHGATE DRIVE | | | | GUELPH | ON | N1G 3M5 | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | ROYNAT INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 1235 NORTH SERVICE ROAD W, SUITE 200 | | | | OAKVILLE | ON | L6M 2W2 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | X | X | X | X | X | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

| | | | | |
|--------------------------|----------------------------|---|-----------------|--------------------|
| Registering Agent | | Registering Agent | | |
| | | LOOPSTRA NIXON LLP (29947-0020-SJN/RMS) | | |
| | Address | City | Province | Postal Code |
| | 600-135 QUEENS PLATE DRIVE | ETOBICOKE | ON | M9W 6V7 |

LAST PAGE

Note: All pages have been returned.

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EXHIBIT "K"

Enquiry Result

SUB-SEARCH: Only registrations starting from 2024-05-12 retrieved.

File Currency: 04JUL 2024



Show All Pages

Note: All pages have been returned.

| | | | | | | | | | |
|---|--|------------------|-------------|------------------------|-------------------------|----------------------------|---------------------|---------------------|------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 1 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 01 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | Initial | Surname | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRISTAR CARRIERS LTD | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | SUITE #103 STONE ROAD WEST | | | GUELPH | ON | N1G4W4 | | | |
| Individual Debtor | Date of Birth | First Given Name | | Initial | Surname | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRISTAR CARRIERS LTD | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 15 TAWSE PLACE | | | PUSLINCH | ON | N0B2J0 | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | ENGLAND CARRIER SERVICES | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | PO BOX 27566 | | | SALT LAKE CITY | UT | 84127 | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | X | X | X | X | X | | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | THE FOLLOWING PERSONAL PROPERTY OF CLIENT, WHEREVER LOCATED, NOW | | | | | | | | |

OWNED OR EXISTING OR HEREAFTER ACQUIRED OR CREATED, ALL ADDITIONS
AND ACCESSIONS THERETO, ALL REPLACEMENTS, INSURANCE OR CONDEMNATION

| | | | | |
|--------------------------|---------------------------------|-------------|-----------------|--------------------|
| Registering Agent | Registering Agent | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | |
| | Address | City | Province | Postal Code |
| | 914 S STREET | SACREMENTO | CA | 95811 |

CONTINUED

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|----------------------------|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | |
| File Currency | 04JUL 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 505424736 | 1 | 12 | 2 | 22 | 15MAY 2029 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|--------------------|-----------------------|----------------|--------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 505424736 | | 02 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | PANVEER | S | DANIA |

| | | | | |
|------------------------|-----------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | 9 DARLING CRESCENT | GUELPH | ON | N1L1P9 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | PANVEER | D | SINGH |

| | | | | |
|------------------------|-----------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | 9 DARLING CRES | GUELPH | ON | N1L1P9 |

| | | | | |
|----------------------|--------------------------------------|-------------|-----------------|--------------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

| | | | | | | | | | |
|----------------------------------|-----------------------|------------------|------------------|-----------------|--------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |

| | | | | |
|----------------------------------|-------------|-------------|--------------|---------------|
| Motor Vehicle Description | Year | Make | Model | V.I.N. |
| | | | | |

| | |
|---------------------------------------|--|
| General Collateral Description | General Collateral Description |
| | PROCEEDS, ALL DOCUMENTS COVERING ANY OF THE COLLATERAL, ALL LEASES OF ANY OF THE COLLATERAL, ALL RENTS, REVENUES, ISSUES, PROFITS AND PROCEEDS ARISING FROM THE SALE, LEASE, LICENSE, ENCUMBRANCE, |

| | | | | |
|--------------------------|---------------------------------|-------------|-----------------|--------------------|
| Registering Agent | Registering Agent | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | |
| | Address | City | Province | Postal Code |
| | | | | |

| | | | | |
|--|--------------|------------|----|-------|
| | 914 S STREET | SACRAMENTO | CA | 95811 |
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|---|--|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 3 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 03 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COLLECTION, OR ANY OTHER TEMPORARY OR PERMANENT DISPOSITION OF ANY | | | | | | | | |
| | OF THE COLLATERAL OR ANY INTEREST THEREIN, ALL AMENDMENTS, | | | | | | | | |
| | MODIFICATIONS, RENEWALS, EXTENSIONS, AND REPLACEMENTS THEREOF, AND | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 914 S STREET | | | | SACRAMENTO | CA | 95811 | | |

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|----------------------------|-----------------------|--|--|--|--|--|--|--|
| Type of Search | Business Debtor | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | |

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|---|--|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 4 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 04 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | ALL PRODUCTS AND PROCEEDS THEREOF (A) ALL INVENTORY (B) ALL ACCOUNTS (THE "ACCOUNTS") (C) ALL EQUIPMENT, GOODS AND MOTOR VEHICLES (COLLECTIVELY, THE "EQUIPMENT") (D) ALL GENERAL INTANGIBLES, | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 914 S STREET | | | | SACRAMENTO | CA | 95811 | | |

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| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 5 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| | | | | | | | | | |

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|---------------------------------------|--|-------------------------|------------------|-----------------|----------------------------|-----------------------------------|---------------|----------------------------|-------------------------------|
| 505424736 | | 05 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | Address | | | City | Province | Postal Code | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | Address | | | City | Province | Postal Code | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| General Collateral Description | General Collateral Description INCLUDING ANY AND ALL PATENTS, TRADEMARKS AND COPYRIGHTS (REGISTERED OR UNREGISTERED), TRADE SECRETS, DOMAIN NAMES AND ADDRESSES, AND INTELLECTUAL PROPERTY LICENSES (E) ANY AND ALL PROMISSORY NOTES AND | | | | | | | | |
| Registering Agent | Registering Agent FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 914 S STREET | | | SACREMENTO | CA | 95811 | | | |

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|---|-----------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|--|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 6 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 06 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |

| | | | | | | | | | |
|---------------------------------------|---|-------------------------|------------------|-----------------------------------|---------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Address | | City | Province | Postal Code | | | | | |
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname | | | | | |
| Business Debtor | Business Debtor Name | | | Ontario Corporation Number | | | | | |
| | Address | City | Province | Postal Code | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | Address | City | Province | Postal Code | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| Motor Vehicle Description | Year | Make | Model | | V.I.N. | | | | |
| General Collateral Description | General Collateral Description INSTRUMENTS PAYABLE TO OR OWING TO CLIENT OR HELD BY CLIENT ANY AND ALL LEASES UNDER WHICH CLIENT IS THE LESSOR ANY AND ALL CHATTEL PAPER IN FAVOR OF, OWING TO, OR HELD BY CLIENT, INCLUDING, WITHOUT | | | | | | | | |
| Registering Agent | Registering Agent FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | City | Province | Postal Code | | | | | |
| | 914 S STREET | SACREMENTO | CA | 95811 | | | | | |

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|---|-----------------------------|-------------------------|--------------------|-------------------------------|-----------------------------------|-------------------------|----------------------------|--|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 7 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 07 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | Initial | Surname | | | | |
| Business Debtor | Business Debtor Name | | | | Ontario Corporation Number | | | | |
| | Address | City | Province | Postal Code | | | | | |
| Individual Debtor | Date of Birth | First Given Name | | Initial | Surname | | | | |

| | | | | | | | | | |
|---------------------------------------|--|------------------|------------------|-----------------|--------------|-----------------------------------|-----------------|----------------------------|-------------------------------|
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | Address | | | | | City | Province | Postal Code | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | LIMITATION, ANY AND ALL CONDITIONAL SALE CONTRACTS OR OTHER SALES AGREEMENTS, WHETHER CLIENT IS THE ORIGINAL PARTY OR THE ASSIGNEE AND ANY AND ALL SECURITY AGREEMENTS, COLLATERAL AND TITLES TO MOTOR | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| | 914 S STREET | | | | | SACRAMENTO | CA | 95811 | |

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| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 8 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 08 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| | | | | | | | | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |

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|---------------------------------------|---|------------------|------------------|-----------------|-----------------|-------------------------------|--------------------|----------------------------|-------------------------------|
| | | Address | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | VEHICLES WHICH SECURE ANY OF THE FOREGOING OBLIGATIONS (F) ALL | | | | | | | | |
| | DEPOSIT ACCOUNTS, INCLUDING WITHOUT LIMITATION, ALL INTEREST, | | | | | | | | |
| | DIVIDENDS OR DISTRIBUTIONS ACCRUED OR TO ACCRUE THEREON, WHETHER OR | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 914 S STREET | | | SACREMENTO | CA | 95811 | | | |

CONTINUED

| | | | | | | | | | |
|---|--------------------------------------|------------------|-------------------------|-------------------------------|----------------------------|-------------------------------|-----------------------------------|----------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 9 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 09 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | | Ontario Corporation Number | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | | Ontario Corporation Number | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |

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|---------------------------------------|--|-------------|-----------------|--------------------|
| Motor Vehicle Description | Year | Make | Model | V.I.N. |
| | | | | |
| General Collateral Description | General Collateral Description | | | |
| | NOT DUE (G) ALL INVESTMENT PROPERTY, INCLUDING ALL INTEREST, DIVIDENDS OR DISTRIBUTIONS ACCRUED OR TO ACCRUE THEREON, WHETHER OR NOT DUE (H) ALL DOCUMENTS (I) ALL LETTER-OF-CREDIT RIGHTS (J) ALL | | | |
| Registering Agent | Registering Agent | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | |
| | Address | City | Province | Postal Code |
| | 914 S STREET | SACREMENTO | CA | 95811 |

CONTINUED

| | | | | | | | | | |
|---|--------------------------------------|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 505424736 | 1 | 12 | 10 | 22 | 15MAY 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 505424736 | | 10 | 010 | | 20240515 1420 1462 6160 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | Model | V.I.N. | | | | | |
| | | | | | | | | | |

| | | | | |
|---------------------------------------|--|-------------|-----------------|--------------------|
| General Collateral Description | General Collateral Description | | | |
| | SUPPORTING OBLIGATIONS AND (K) ALL BALANCES, DEPOSITS, DEBTS OR ANY OTHER AMOUNTS OR OBLIGATIONS OF ECS OWING TO CLIENT, INCLUDING, WITHOUT LIMITATION, ANY RESERVE, WHETHER OR NOT DUE. | | | |
| Registering Agent | Registering Agent | | | |
| | FIRST CORPORATE SOLUTIONS, INC. | | | |
| | Address | City | Province | Postal Code |
| | 914 S STREET | SACREMENTO | CA | 95811 |

END OF FAMILY

| | | | | | | | |
|----------------------------|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | |
| File Currency | 04JUL 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 506218059 | 2 | 12 | 11 | 22 | 10JUN 2025 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|--------------------|-----------------------|----------------|--------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 506218059 | | 001 | 2 | | 20240610 1148 2758 4640 | R RSLA | 01 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|------------------------|-----------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | TRISTAR CARRIERS LTD. | | | |
| | Address | City | Province | Postal Code |
| | 15 TAWSE PL | PUSLINCH | ON | N0B 2J0 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|------------------------|-----------------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | NORTH AMERICAN MOTOR EXPRESS INC. | | | |
| | Address | City | Province | Postal Code |
| | 6955 WELLINGTON RD 34 RR22 | CAMBRIDGE | ON | N3C 2V4 |

| | | | | |
|----------------------|---|-------------|-----------------|--------------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | 2488330 ONTARIO INC. O/A MATHESON COLLISION | | | |
| | Address | City | Province | Postal Code |
| | 1625 SHAWSON DR. | MISSISSAUGA | ON | L4W 1T7 |

| | | | | | | | | | |
|----------------------------------|-----------------------|------------------|------------------|-----------------|--------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 1360 | | |

| | | | | |
|----------------------------------|-------------|-------------|--------------|-------------------|
| Motor Vehicle Description | Year | Make | Model | V.I.N. |
| | 2012 | VOLVO | VVN | 4V4NC9EJ7CN559379 |

| | | | | |
|---------------------------------------|--|--|--|--|
| General Collateral Description | General Collateral Description | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE DISBURSEMENTS. 24-12287 | | | |

| | |
|--------------------------|--------------------------|
| Registering Agent | Registering Agent |
| | BDSL - 24-12287 |

| | | | |
|-------------------|-------------|-----------------|--------------------|
| Address | City | Province | Postal Code |
| 106-162 GUELPH ST | GEORGETOWN | ON | L7G 5X7 |

CONTINUED

| | | | | | | | |
|----------------------------|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | |
| File Currency | 04JUL 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 506218059 | 2 | 12 | 12 | 22 | 10JUN 2025 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|--------------------|-----------------------|----------------|--------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 506218059 | | 002 | 2 | | 20240610 1148 2758 4640 | | |

| | | | | | |
|--------------------------|--|-------------------------|----------------|-----------------------------------|--------------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname | |
| | | | | | |
| Business Debtor | Business Debtor Name | | | Ontario Corporation Number | |
| | 7013990 CANADA INC. O/A TRANS 99 LOGISTICS | | | | |
| | Address | | City | Province | Postal Code |
| | 9 PAULSTOWN CRESCENT | | GUELPH | ON | N1G 5H7 |

| | | | | | |
|--------------------------|-----------------------------|-------------------------|----------------|-----------------------------------|--------------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname | |
| | | | | | |
| Business Debtor | Business Debtor Name | | | Ontario Corporation Number | |
| | | | | | |
| | Address | | City | Province | Postal Code |
| | | | | | |

| | | | | |
|----------------------|--------------------------------------|-------------|-----------------|--------------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

| | | | | | | | | | |
|----------------------------------|-----------------------|------------------|------------------|-----------------|--------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |

| | | | | |
|----------------------------------|-------------|-------------|--------------|---------------|
| Motor Vehicle Description | Year | Make | Model | V.I.N. |
| | | | | |

| | |
|---------------------------------------|---------------------------------------|
| General Collateral Description | General Collateral Description |
| | |
| | |

| | | | | |
|--------------------------|--------------------------|-------------|-----------------|--------------------|
| Registering Agent | Registering Agent | | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

END OF FAMILY

| | |
|-----------------------|-----------------|
| Type of Search | Business Debtor |
|-----------------------|-----------------|

| | | | | | | | | | |
|---|--|-------------------------|--------------------|-------------------------------|-----------------|-------------------------------|-----------------------------------|----------------------------|-------------------------------|
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 506251962 | 3 | 12 | 13 | 22 | 11JUN 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | | Registration Number | Registered Under | Registration Period | |
| 506251962 | | 001 | 1 | | | 20240611 0929 2758 4649 | R RSLA | 01 | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | | Ontario Corporation Number | | |
| | TRISTAR CARRIERS LTD. | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 15 TAWSE PL | | | | PUSLINCH | ON | N0B 2J0 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | | Ontario Corporation Number | | |
| | TPINE LEASING CAPITAL CORPORATION | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 6050 DIXIE ROAD | | | | MISSISSAUGA | ON | L5T 1A6 | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | 2488330 ONTARIO INC. O/A MATHESON COLLISION | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 1625 SHAWSON DR. | | | | MISSISSAUGA | ON | L4W 1T7 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 6555 | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2020 | FREIGHTLINER | | | FM2 | | 1FUJHHDR8LLKS3628 | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE DISBURSEMENTS. 24-12292 | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | BDSL -24-12292 | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 162 GUELPH ST UNIT 106 | | | | GEORGETOWN | ON | L7G 5X7 | | |

END OF FAMILY

| | | | | | | | | |
|---|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|--|
| Type of Search | Business Debtor | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | |
| | 506254536 | 4 | 12 | 14 | 22 | 11JUN 2025 | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | |

| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
|---------------------------------------|---|-------------------------|------------------|----------------------------|-------------------------|-----------------------------------|------------------------------------|----------------------------|-------------------------------|
| 506254536 | | 001 | 1 | | 20240611 0954 2758 4650 | R RSLA | 01 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name TRISTAR CARRIERS LTD. | | | | | Ontario Corporation Number | | | |
| | Address 15 TAWSE PL | | | City PUSLINCH | Province ON | Postal Code N0B 2J0 | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name CHARGER TRUCK SALES INC. | | | | | Ontario Corporation Number | | | |
| | Address 25 PRODUCTION RD | | | City BRAMPTON | Province ON | Postal Code L6T 4N8 | | | |
| Secured Party | Secured Party / Lien Claimant 2488330 ONTARIO INC. O/A MATHESON COLLISION | | | | | | | | |
| | Address 1625 SHAWSON DR. | | | City MISSISSAUGA | Province ON | Postal Code L4W 1T7 | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 15192 | | |
| Motor Vehicle Description | Year 2019 | Make VOLVO | | | Model VVN | | V.I.N. 4V4NC9EH3KN905827 | | |
| General Collateral Description | General Collateral Description COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE DISBURSEMENTS. 24-12294 | | | | | | | | |
| Registering Agent | Registering Agent BDSL -24-12294 | | | | | | | | |
| | Address 162 GUELPH ST UNIT 106 | | | City GEORGETOWN | Province ON | Postal Code L7G 5X7 | | | |

END OF FAMILY

| Type of Search | Business Debtor | | | | | | | | |
|---|-----------------------|-------------------------|--------------------|------------------------|-------------------------|--------------------|---------------------|--|--|
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 506973771 | 5 | 12 | 15 | 22 | 04JUL 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 506973771 | | 001 | 1 | | 20240704 0930 2758 4832 | R RSLA | 01 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |

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|---------------------------------------|--|------------------|-------------------------|-----------------|--------------|-----------------------------------|-------------------|----------------------------|-------------------------------|
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRISTAR CARRIERS LTD. | | | | | | | | |
| | Address | | | City | | Province | | Postal Code | |
| | 15 TAWSE PL | | | PUSLINCH | | ON | | N0B 2J0 | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | | Surname | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | BENNINGTON FINANCIAL CORP. | | | | | | | | |
| | Address | | | City | | Province | | Postal Code | |
| | 102-1465 NORTH SERVICE RD E | | | OAKVILLE | | ON | | L6H 1A7 | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | 2742340 ONTARIO INC. O/A IN AND OUT TRUCK CENTER | | | | | | | | |
| | Address | | | City | | Province | | Postal Code | |
| | 151 WATLINE AVENUE | | | MISSISSAUGA | | ON | | L4Z 1P2 | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 9943 | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2022 | VOLVO | | | VVN | | 4V4NC9EH5NN309834 | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE DISBURSEMENTS. 24-12367 | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | BDSL -24-12367 | | | | | | | | |
| | Address | | | City | | Province | | Postal Code | |
| | 162 GUELPH ST UNIT 106 | | | GEORGETOWN | | ON | | L7G 5X7 | |

END OF FAMILY

| | | | | | | | | | |
|---|-----------------------------|----------------|-------------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 506976435 | 6 | 12 | 16 | 22 | 04JUL 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 506976435 | | 001 | 1 | | 20240704 0950 2758 4833 | R RSLA | 01 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | | Surname | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRISTAR CARRIERS LTD. | | | | | | | | |
| | Address | | | City | | Province | | Postal Code | |
| | 15 TAWSE PLACE | | | PUSHLINCH | | ON | | N0B 2J0 | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | | Surname | |
| | | | | | | | | | |

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|---------------------------------------|--|------------------|------------------|-----------------|-----------------------------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Business Debtor | Business Debtor Name | | | | Ontario Corporation Number | | | | |
| | BANK OF MONTREAL O/A EQUIPMENT LEASING CANADA | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 5750 EXPLORER DR. 3RD FLR | | | MISSISSAUGA | ON | L4W 0B1 | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | 2742340 ONTARIO INC. O/A IN AND OUT TRUCK CENTER | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 151 WATLINE AVENUE | | | MISSISSAUGA | ON | L4Z 1P2 | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 7908 | | |
| Motor Vehicle Description | Year | Make | | Model | | V.I.N. | | | |
| | 2020 | VOLVO | | ARO | | 4V4WC9EH4LN253564 | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE DISBURSEMENTS. 24-12368 | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | BDSL -24-12368 | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 162 GUELPH ST UNIT 106 | | | GEORGETOWN | ON | L7G 5X7 | | | |

END OF FAMILY

| | | | | | | | | | |
|---|-----------------------------|----------------|-------------------------|-------------------------------|-----------------------------------|-------------------------|----------------------------|--|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 506986623 | 7 | 12 | 17 | 22 | 04JUL 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 506986623 | | 001 | 1 | | 20240704 1159 1793 5824 | R RSLA | 1 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | Ontario Corporation Number | | | | |
| | TRI STAR CARRIER LTD | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 15 TAWSE RD | | | PUSLINCH | ON | N0B2J0 | | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | Ontario Corporation Number | | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |

| | | | | | | | | | |
|---------------------------------------|---|------------------|------------------|-----------------|--------------|-------------------------------|--------------------|----------------------------|-------------------------------|
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 520 SHELDON DR | | | | CAMBRIDGE | ON | N1T2C1 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 789 | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2019 | VOLVO | | | VNL | | 4V4NC9EH5KN904761 | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE PROCEEDS AND DISBURSEMENTS | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 520 SHELDON DR | | | | CAMBRIDGE | ON | N1T2C1 | | |

END OF FAMILY

| | | | | | | | | | |
|---|--------------------------------------|----------------|-------------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|--|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 507003597 | 8 | 12 | 18 | 22 | 04JUL 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 507003597 | | 001 | 1 | | 20240704 1823 1793 5944 | R RSLA | 1 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRI STAR CARRIER LTD | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 15 TAWSE RD, | | | | PUSLINCH | ON | NOB2J0 | | |
| Individual Debtor | Date of Birth | | First Given Name | | | Initial | Surname | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 520 SHELDON DR | | | | CAMBRIDGE | ON | N1T2C1 | | |

| | | | | | | | | | |
|---------------------------------------|---|------------------|------------------|-----------------|--------------|-------------------------------|-------------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 1550 | | |
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2020 | FREIGHTLINER | | | CASCADIA | | 1FUJHHDR8LLKS7095 | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE , ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE PROCEEDS AND DISBURSEMENTS | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| | 520 SHELDON DR | | | | | CAMBRIDGE | ON | N1T2C1 | |

END OF FAMILY

| | | | | | | | | | |
|----------------------------|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|--|--|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 507003606 | 9 | 12 | 19 | 22 | 04JUL 2025 | | | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|--------------------|-----------------------|----------------|--------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 507003606 | | 001 | 1 | | 20240704 1824 1793 5945 | R RSLA | 1 |

| | | | | | |
|--------------------------|-----------------------------|-------------------------|----------------|-----------------------------------|--------------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname | |
| | | | | | |
| Business Debtor | Business Debtor Name | | | Ontario Corporation Number | |
| | TRI STAR CARRIER LTD | | | | |
| | Address | | City | Province | Postal Code |
| | 15 TAWSEE RD | | PUSLINCH | ON | N0B2J0 |

| | | | | | |
|--------------------------|-----------------------------|-------------------------|----------------|-----------------------------------|--------------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname | |
| | | | | | |
| Business Debtor | Business Debtor Name | | | Ontario Corporation Number | |
| | | | | | |
| | Address | | City | Province | Postal Code |
| | | | | | |

| | | | | | | | | | |
|----------------------|--------------------------------------|--|--|--|--|-------------|-----------------|--------------------|--|
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | | | City | Province | Postal Code | |
| | 520 SHELDON DR | | | | | CAMBRIDGE | ON | N1T2C1 | |

| | | | | | | | | | |
|----------------------------------|-----------------------|------------------|------------------|-----------------|--------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 482 | | |

| | | | | | | | | | |
|----------------------------------|-------------|-------------|--|--|--------------|--|-------------------|--|--|
| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
| | 2017 | PETERBILT | | | 389 | | 1XPXDP9X9HD421682 | | |

| | | | | |
|---------------------------------------|---|-------------|-----------------|--------------------|
| General Collateral Description | General Collateral Description | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE PROCEEDS AND DISBURSEMENTS | | | |
| Registering Agent | Registering Agent | | | |
| | SUPERX TRUCK REPAIR LTD | | | |
| | Address | City | Province | Postal Code |
| | 520 SHELDON DR | CAMBRIDGE | ON | N1T2C1 |

END OF FAMILY

| | | | | | | | | | |
|---|--|-------------------------|--------------------|-------------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 507003615 | 10 | 12 | 20 | 22 | 04JUL 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 507003615 | | 001 | 1 | | 20240704 1824 1793 5946 | R RSLA | 1 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | TRISTAR CARRIER LTD | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 15 TAWSE RD | | | PUSLINCH | ON | N0B2J0 | | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | SUPERX TRUCK REPAIR LTD | | | | | | | | |
| | Address | | | City | Province | Postal Code | | | |
| | 520 SHELDON DR | | | CAMBRIDGE | ON | N1T2C1 | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 339 | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | 2019 | VOLVO | | | VNL | 4V4NC9EH5KN904761 | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS, REPAIRS, ADDITIONS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE PROCEEDS AND DISBURSEMENTS. | | | | | | | | |

| | | | | |
|--------------------------|--------------------------|-------------|-----------------|--------------------|
| Registering Agent | Registering Agent | | | |
| | SUPERX TRUCK REPAIR LTD | | | |
| | Address | City | Province | Postal Code |
| | 520 SHELDON DR | CAMBRIDGE | ON | N1T2C1 |

END OF FAMILY

| | | | | | | | |
|----------------------------|-----------------------|---------------|--------------------|-------------|-----------------|--------------------|---------------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | |
| File Currency | 04JUL 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 507003624 | 11 | 12 | 21 | 22 | 04JUL 2025 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|--------------------|-----------------------|----------------|--------------------|-------------------------------|----------------------------|-------------------------|----------------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 507003624 | | 001 | 1 | | 20240704 1824 1793 5947 | R RSLA | 1 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|------------------------|-----------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | TRI STAR CARRIER LTD | | | |
| | Address | City | Province | Postal Code |
| | 15 TAWSE RD | PUSLINCH, | ON | N0B2J0 |

| | | | | |
|--------------------------|----------------------|-------------------------|----------------|----------------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|------------------------|-----------------------------|-----------------------------------|-----------------|--------------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

| | | | | |
|----------------------|--------------------------------------|-------------|-----------------|--------------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | SUPER X TRUCK REPAIR LTD | | | |
| | Address | City | Province | Postal Code |
| | 520 SHELDON DR | CAMBRIDGE | ON | N1T2C1 |

| | | | | | | | | | |
|----------------------------------|-----------------------|------------------|------------------|-----------------|--------------|-------------------------------|---------------|----------------------------|-------------------------------|
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | X | 789 | | |

| | | | | |
|----------------------------------|-------------|-------------|--------------|-------------------|
| Motor Vehicle Description | Year | Make | Model | V.I.N. |
| | 2018 | FRHT | CASCADIA | 3AKJHHDR5KSKA2458 |

| | |
|---------------------------------------|---|
| General Collateral Description | General Collateral Description |
| | COMPLETE WITH ALL PRESENT AND FUTURE ATTACHMENTS, ADDITIONS, ACCESSORIES, EXCHANGES, REPLACEMENT PARTS REPAIRS AND ALL PROCEEDS THEREOF INCLUDING INSURANCE PROCEEDS AND/OR DISBURSEMENTS |

| | | | | |
|--------------------------|--------------------------|-------------|-----------------|--------------------|
| Registering Agent | Registering Agent | | | |
| | SUPER X TRUCK REPAIR LTD | | | |
| | Address | City | Province | Postal Code |
| | 520 SHELDON DR | CAMBRIDGE | ON | N1T2C1 |

END OF FAMILY

| | | | | | | | | | |
|--|--|-------------------------|---------------------------------|--|----------------------------|-------------------------------|----------------------|-----------------------------------|-------------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | TRISTAR CARRIERS LTD. | | | | | | | | |
| File Currency | 04JUL 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | | | | | of Pages |
| | 761926833 | 12 | 12 | 22 | | | | | 22 |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT | | | | | | | | | |
| | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number | | | Registered Under | |
| | | 01 | 001 | | 20240531 1402 1462 3845 | | | | |
| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | | | Renewal Years | Correct Period | |
| | 761926833 | | | C DISCHRG | | | | | |
| Reference Debtor/ Transferor | First Given Name | | | Initial | Surname | | | | |
| | | | | | | | | | |
| | Business Debtor Name | | | | | | | | |
| | TRISTAR CARRIERS LTD. | | | | | | | | |
| Other Change | Other Change | | | | | | | | |
| | | | | | | | | | |
| Reason / Description | Reason / Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Debtor/ Transferee | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| | Business Debtor Name | | | | | | | Ontario Corporation Number | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Assignor Name | Assignor Name | | | | | | | | |
| | | | | | | | | | |
| Secured Party | Secured party, lien claimant, assignee | | | | | | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | | | V.I.N. | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant | | | | | | | | |
| | | | | | | | | | |

| | | | | |
|-------------------------------|-----------------------------------|-----------------|--------------------|--|
| | CANADIAN WESTERN BANK LEASING INC | | | |
| Address | City | Province | Postal Code | |
| 3RD FLOOR, 750 CAMBIE STREET, | VANCOUVER | BC | V6B0A2 | |

LAST PAGE

Note: All pages have been returned.

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EXHIBIT "L"

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Law Clerk: Isabelle Stacey
Direct Line: (519) 850-5573
istacey@harrisonpensa.com

May 15, 2024

Via Registered & Regular Mail & E-mail – dani@tristarcarriers.net;
charnjit@tristarcarriers.net;
parminder@tristarcarriers.net;
dave@tristarcarriers.net

1000602770 Ontario Ltd.
225 Southgate Drive
Guelph, ON N1G 3M5

15 Tawse Pl.
Puslinch, Ontario N0B 2J0

Attention: Panveer Singh Dania, Charnjit Singh Grewal, Parminder Singh Grewal, Daler Singh

Dear Sirs,

**Re: Indebtedness of 1000602770 Ontario Ltd. to Roynat Inc. ("Roynat")
Our File No. 202068**

We are the solicitors for Roynat with respect to loans provided to 1000602770 Ontario Ltd. (hereinafter the "**Debtor**").

According to Roynat's records, the Debtor is indebted to Roynat as at May 10, 2024, in the total sum of \$7,081,347.67, including all interest to May 9, 2024, plus all accruing interest, and plus Roynat's costs of enforcement on a solicitor and client basis (the "**Indebtedness**").

The Indebtedness is comprised of the following:

| | | |
|---------------------------|----------------------|----------------|
| Term Loan (ending in 001) | Principal: | \$6,581,750.00 |
| | Interest in Arrears: | \$51,975.63 |
| | Accrued Interest: | \$41,772.71 |
| | Administrative Fees: | \$11,529.33 |
| | Prepayment Fee: | \$394,320.00 |
| | Total: | \$7,081,347.67 |

Harrison Pensa LLP

| | |
|--------------|-----------------------|
| TOTAL | \$7,081,347.67 |
|--------------|-----------------------|

The Debtor is in default of certain agreements signed in favour of Roynat including, but not limited to, the following:

1. Offer of Finance dated August 14, 2023 and accepted by the Debtor and guarantors on August 17, 2023, as amended by the Amending Letters dated September 7 and September 8, 2023 and Notification of Changes to Offer of Finance dated May 6, 2024;
2. Debenture dated September 5, 2023 in the sum of \$7,000,000.00;
3. Charge/Mortgage of Land in the original principal sum of \$7,000,000.00 and receipted as instrument number WC712167 on September 11, 2023, over the property municipally known as 225 Southgate Drive, Guelph, Ontario, legally described as:
 - a. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT); and,
 - b. PT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT) (collectively, the "**Property**").
4. Assignment of Rents from the Debtor to Roynat dated September 5, 2023, and registered on title to the Property as instrument number WC712170 on September 11, 2023; and,
5. Assignment of Insurance dated September 5, 2023.

On behalf of Roynat, we hereby demand payment of the Indebtedness owing by the Debtor together with interest thereon and all costs to the date of payment.

Failing payment within ten (10) days will result in Roynat taking such steps as it considers necessary or appropriate to recover payment of the Debtor's Indebtedness and to protect its interest.

We advise that no intermediate acts, negotiations, indulgences, acceptance of payments or any continuing credit or provision of banking services shall act as a waiver to Roynat's rights, or demand for payment as set out herein, unless so expressly stated in writing.

Roynat expressly reserves its rights to take such further steps to protect its interest at any time, without further notice to the Debtor, if Roynat becomes aware of any matter which may impair its security. In addition, Roynat reserves the right to restrict or cancel all

facilities at any time with no further notice and to restrict the operation of any bank account(s) including placing same on deposit only.

Finally, also find attached to this letter our client's Notice of Intention to Enforce Security as well as the relevant consent to immediate enforcement of Roynat's security. By signing this consent, the Debtor waives the time period given by Roynat under this notice.

Yours truly,

HARRISON PENSA ^{LLP}

A handwritten signature in black ink, appearing to be 'TCH' with a stylized flourish.

Timothy C. Hogan
TCH/ist
Enclosure

Cc: Tristar Carriers Ltd., Charnjit Singh Grewal, Daler Singh, Panveer Singh Dania, and Parminder Singh Grewal, all as guarantor

NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: 1000602770 Ontario Ltd., an insolvent person

TAKE NOTICE THAT:

1. Roynat Inc., a secured creditor, intends to enforce its security on the property of the insolvent person described as:

All collateral of the insolvent person as described in all agreements between the insolvent person and Roynat Inc. charging assets including the following security and the proceeds from the sale of said collateral:

- a. Offer of Finance dated August 14, 2023 and accepted by the Debtor and guarantors on August 17, 2023, as amended by the Amending Letter dated September 8, 2023 and Notification of Changes to Offer of Finance dated May 6, 2024;
- b. Debenture dated September 5, 2023 in the sum of \$7,000,000.00;
- c. Charge/Mortgage of Land in the original principal sum of \$7,000,000.00 and receipted as instrument number WC712167 on September 11, 2023, over the property municipally known as 225 Southgate Drive, Guelph, Ontario, legally described as:
 - a. LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0162 LT); and,
 - b. PT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 37 61R2072 AS IN ROS223171; GUELPH (PIN 71491-0161 LT) (collectively, the "**Property**").
- d. Assignment of Rents from the Debtor to Roynat dated September 5, 2023, and registered on title to the Property as instrument number WC712170 on September 11, 2023; and,
- e. Assignment of Insurance dated September 5, 2023
(collectively, the "**Security**").

The property to which the Security relates includes, but is not limited to, all personal and real property and fixtures, all leases of real property, all accounts, book debts, inventory, and equipment, wherever located and all other collateral however described of the above-noted insolvent person and the proceeds thereof.

2. The security that is to be enforced is as detailed in all agreements between the insolvent person and Roynat Inc. charging assets including in the form of the Security.
3. The total amount of indebtedness secured by the security is \$7,081,347.67 as of May 10, 2024, plus accruing interest as set out in the agreements, plus all costs of enforcement on a solicitor and client basis.
4. The secured creditor will not have the right to enforce its security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 15th day of May, 2024

ROYNAT INC.

by its solicitors, Harrison Pensa LLP



Per: _____

Timothy C. Hogan
Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2
(519) 661-6743

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

CONSENT
(s.244(2) of the *Bankruptcy and Insolvency Act*)

THE UNDERSIGNED hereby acknowledges receipt of a copy of Roynat Inc.'s demand dated May 15, 2024 and the Notice of Intention to Enforce Security dated May 15, 2024 pursuant to s.244(1) of the *Bankruptcy and Insolvency Act* and hereby waives the 10 day period set out in the demand and notice and consents to the immediate enforcement of Roynat Inc.'s security.

DATED at _____, Ontario this _____ day of _____, 2024

1000602770 ONTARIO LTD.

Per: _____
I have the authority to bind the Company

DATED at _____, Ontario this _____ day of _____, 2024

TRISTAR CARRIERS LTD.

Per: _____
I have the authority to bind the Company

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Charnjit Singh Grewal

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Daler Singh

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Panveer Singh Dania

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Parminder Singh Grewal

Harrison Pensa

LAWYERS

Timothy C. Hogan

Direct Line: (519)-661-6743
thogan@harrisonpensa.com

Law Clerk: Isabelle Stacey
Direct Line: (519) 850-5573
istacey@harrisonpensa.com

May 15, 2024

Via Registered & Regular Mail & E-mail – dani@tristarcarrriers.net;
charnjit@tristarcarrriers.net;
parminder@tristarcarrriers.net;
dave@tristarcarrriers.net

Tristar Carriers Ltd.

15 Tawse Pl.
Puslinch, Ontario N0B 2J0

Attention: Parminder Singh Grewal, Panveer Singh Dania, Charnjit Singh Grewal, and Daler Singh

Dear Sir,

**Re: Indebtedness of 1000602770 Ontario Ltd. to Roynat Inc. ("Roynat")
Our File No. 202068**

We are the solicitors for Roynat with respect to the loans provided to 1000602770 Ontario Ltd.

According to Roynat's records, 1000602770 Ontario Ltd. is indebted to Roynat in the amount of \$7,081,347.67 as of May 10, 2024, together with accruing interest thereon, and Roynat's continuing costs of enforcement on a solicitor and client basis.

Pursuant to a guarantee granted by you dated September 5, 2023, with respect to 1000602770 Ontario Ltd., limited to the sum of \$7,000,000.00, you are liable to pay full the amount of the guarantee being \$7,000,000.00, together with accruing interest thereon and Roynat's continuing costs of enforcement (the "**Indebtedness**").

On behalf of Roynat, we hereby demand payment of the Indebtedness totaling \$7,000,000.00 together with interest thereon and all costs to the date of payment.

We refer to the General Security Agreement executed by you dated September 5, 2023, and this shall stand as a demand under such General Security Agreement. Attached please find Roynat's notice under s.244(1) of the *Bankruptcy and Insolvency Act* in that regard.

Failing to make payment within ten (10) days will result in Roynat taking such steps as it considers necessary or appropriate to recover payment of the Indebtedness and to protect its interest.

Harrison Pensa LLP

We advise that no intermediate acts, negotiations or indulgences shall act as a waiver to Roynat's rights, or demand for payment as set out herein, unless so expressly stated in writing.

Yours truly,

HARRISON PENSA ^{LLP}

A handwritten signature in black ink, appearing to be the initials 'TH' with a stylized flourish.

Timothy C. Hogan
TCH/ist

NOTICE OF INTENTION TO ENFORCE SECURITY
(Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: Tristar Carriers Ltd., an insolvent person

TAKE NOTICE THAT:

1. Roynat Inc., a secured creditor, intends to enforce its security on the property of the insolvent person described as:

All collateral of the insolvent person as described in all agreements between the insolvent person and Roynat Inc. charging assets including the following security and the proceeds from the sale of said collateral:

- a. Guarantee dated September 5, 2023, and limited to the sum of \$7,000,000.00; and,
 - b. General Security Agreement dated September 5, 2023
- (collectively, the "**Security**").

The property to which the Security relates includes, but is not limited to, all property and fixtures, all leases of real property, all accounts, book debts, inventory, and equipment, wherever located and all other collateral however described of the above-noted insolvent person and the proceeds thereof.

2. The security that is to be enforced is as detailed in all agreements between the insolvent person and Roynat Inc. charging assets including in the form of the Security.
3. The total amount of indebtedness secured by the Security is \$7,000,000.00 as of May 10, 2024, plus accruing interest as set out in the agreements, plus all costs of enforcement on a solicitor and client basis.
4. The secured creditor will not have the right to enforce its security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 15th day of May, 2024

ROYNAT INC.
by its solicitors, Harrison Pensa LLP

Per:  _____

Timothy C. Hogan
Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
London, ON N6A 5R2
(519) 661-6743

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

CONSENT
(s.244(2) of the *Bankruptcy and Insolvency Act*)

THE UNDERSIGNED hereby acknowledges receipt of a copy of Roynat Inc.'s demand dated May 15, 2024 and the Notice of Intention to Enforce Security dated May 15, 2024 pursuant to s.244(1) of the *Bankruptcy and Insolvency Act* and hereby waives the 10 day period set out in the demand and notice and consents to the immediate enforcement of Roynat Inc.'s security.

DATED at _____, Ontario this _____ day of _____, 2024

TRISTAR CARRIERS LTD.

Per: _____
I have the authority to bind the Company

DATED at _____, Ontario this _____ day of _____, 2024

1000602770 ONTARIO LTD.

Per: _____
I have the authority to bind the Company

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Charnjit Singh Grewal

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Daler Singh

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Panveer Singh Dania

DATED at _____, Ontario this _____ day of _____, 2024

Witness

Parminder Singh Grewal

Receipt (Bulk)

This receipt is necessary if enquiry is desired
Fragile and perishable articles are not indemnified against damage.

Sécurité ou Recommandé

À produire en cas de réclamation.
Aucune indemnité ne sera versée pour l'avarie d'un objet fragile ou périssable.

Harrison Pensa LAWYERS

Harrison Pensa LLP
130 Dufferin Avenue, Suite 1101
P.O. Box 3237
London, Ontario N6A 4K3

TCH #202068-Demands-15-May-2024

Sender Instructions

Note: Bulk Receipt is to be completed for 3 or more items. Present mailings at any Postal Outlet.

- A Complete and remove customer receipt.
B Remove paper backing from receipt.
C Affix receipt to this form.
D Remove bottom bar code and affix to "Trace Mail Data Capture Document"
E Remove paper backing from label
F Apply label to envelope

Instructions pour l'expéditeur

Avis: Récepissé en nombre, pour 3 items et plus. Doit être complété avant de déposer à l'installation postale.

- A Remplissez et retirez le récépissé du client.
B Retirez la pellicule protectrice du récepissé.
C Collez le récépissé sur cette formule.
D Retirez le code à barres du bas et l'apposez sur le "Document de saisie des données" pour le courrier repérable.
E Retirez la pellicule de l'étiquette.
F Collez l'étiquette sur l'enveloppe

Registered Domestic / Recommandé Régime Intérieur form for Charnjit Singh Grewal, 6953 Wellington Rd. 31, Cambridge, ON N3C 2V4. Includes tracking number RN 715 053 763 CA.

Registered Domestic / Recommandé Régime Intérieur form for Tristar Carrier, 15 Tawse Pl., Puslinch, ON N0B 1A7. Includes tracking number RN 715 053 785 CA.

Registered Domestic / Recommandé Régime Intérieur form for Daler Singh, 6892 Gore Road, Puslinch, ON N1E 0K7. Includes tracking number RN 715 053 750 CA.

Registered Domestic / Recommandé Régime Intérieur form for 1000602735 Ontario (Ltr.), 15 Tawse Pl., Puslinch, ON N0B 1A7. Includes tracking number RN 715 053 777 CA.

Registered Domestic / Recommandé Régime Intérieur form for Parminder Singh Grewal, 130achs Drive, Morriston, ON N0B 2C0. Includes tracking number RN 715 053 746 CA.

Registered Domestic / Recommandé Régime Intérieur form for 1000602770 Ontario, 225 Southgate Dr., Guelph, ON N1G 3M5. Includes tracking number RN 715 053 729 CA.

Registered Domestic / Recommandé Régime Intérieur form for Panveer Singh Dania, 9 Darling Crescent, Guelph, ON N1L 1P9. Includes tracking number RN 715 053 732 CA.

Continued on reverse / Suite au verso

EXHIBIT "M"

From: Panveer Dani <dani@tristarcarriers.net>
Sent: Tuesday, May 14, 2024 4:10 PM
To: Shariff, Winston <winston.shariff@roynat.com>
Subject: [External] Offer

Here is attached offer.

Regards
Panveer Dani
Operations Director
Tristar Carriers Ltd
15 Tawse Place, Puslinch ON N0B2J0
Cell: 647-465-3787
Phone: 519-836-2121 ext 1

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Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 9 day of May, 2024

BUYER: [Redacted], agrees to purchase from
(Full legal names of all Buyers)

SELLER: 1000602770 Ontario Ltd, the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 225 Southgate Dr

fronting on the _____ side of Southgate Dr

in the City of Guelph

and having a frontage of 429.20 Feet more or less by a depth of 377.30 Feet

and legally described as
LOT 21, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND HEAT COMMISSIONERS OF THE CITY OF GUELPH
OVER PT 37 61R2072 AS IN ROS223171; GUELPH, LOT 20, PLAN 680; S/T EASEMENT IN FAVOUR OF THE BOARD OF LIGHT AND
HEAT COMMISSIONERS OF THE CITY OF GUELPH OVER PT 36 61R2072 AS IN ROS223171; GUELPH [Redacted]
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: [Redacted] Dollars

DEPOSIT: Buyer submits _____ upon acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

_____ Dollars (CDN\$) _____

by negotiable cheque payable to _____ "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes
of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance
of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place
the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A _____ attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by _____ until 11:59 on
11 May (Seller/Buyer) (a.m./p.m.)
the 10 day of May, 2024, after which time, if not accepted, this
offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 3 day of _____
September, 2024. Upon completion, vacant possession of the property shall be given to the Buyer
unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

[Handwritten initials: HH]

INITIALS OF SELLER(S):

[Handwritten initials: CS, DS, PS, PD]

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the Buyer (multiple representation) or where the Buyer or the Seller is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.: **905-230-8577**
(For delivery of Documents to Buyer)

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**
.....
.....
.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

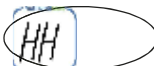
5. **FIXTURES EXCLUDED:**
.....
.....
.....

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
.....
.....
.....

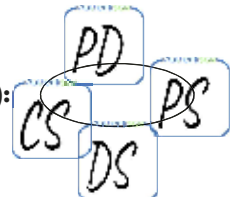
The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):



15 August

24

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the day of....., 20....., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

HH

INITIALS OF SELLER(S):

PS, PD, DS, CS

- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

HH

INITIALS OF SELLER(S):

CS PS PD DS

29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

[Redacted Signature] (Witness) [Redacted Signature] (Buyer/Authorized Signing Officer) [Redacted Signature] (Seal) [Redacted Signature] (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal: Daler Singh (Witness) Charnjit Singh (Seller/Authorized Signing Officer) Parminder Singh (Seal) 05/10/2024 (Date) Panveer Dania (Seal) 05/10/2024 (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

[Redacted Signature] (Witness) [Redacted Signature] (Spouse) [Redacted Signature] (Seal) [Redacted Signature] (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 3:00 this 14th day of May, 2024

[Redacted Signature] (Signature of Seller or Buyer)

Listing Broker [Redacted] Co-op/Buyer [Redacted] (Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

Parminder Singh (Seller) 05/14/2024 (Date) Daler Singh (Witness) 05/14/2024 (Date) Charnjit Singh (Seller) 05/14/2024 (Date) Panveer Dania (Seller) 05/14/2024 (Date) [Redacted Signature] (Buyer) [Redacted Signature] (Date) [Redacted Signature] (Address for Service) [Redacted Signature] (Tel. No.) [Redacted Signature] (Seller's Lawyer) [Redacted Signature] (Buyer's Lawyer) [Redacted Signature] (Address) [Redacted Signature] (Email) [Redacted Signature] (Tel. No.) [Redacted Signature] (Fax. No.)

FOR OFFICE USE ONLY COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale: In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

[Redacted Signature] REALTOR [Redacted Signature] [Redacted Signature]



Schedule A Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: [REDACTED], and

SELLER: 1000602770 Ontario Ltd

for the purchase and sale of 225 Southgate Dr Guelph

ON N1G 3M5 dated the 9 day of May, 2024

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the Purchase Price in cash or by certified solicitor's trust cheque or wire transfer at the time of closing subject to the usual adjustments.

Deliveries on Acceptance

The Seller agrees to provide to the Buyer within five (5) days next following of the Acceptance Date the following materials (hereinafter called the "Seller's Deliveries"):

- I. All correspondence in the Seller's files received from or sent to any municipal, fire or provincial agency relating to the property;
- II. Copies of all environmental reports or appraisals in the possession or under the control of the Seller;
- III. Copies of appraisals in the possession or under the control of the Seller;
- IV. Authorizations of the Seller addressed to all relevant government authorities having jurisdiction over the Property authorizing them to release information in regard to the Property to the Buyer or its solicitor, but expressly prohibiting any inspections of the Property by such authorities; and
- V. Copy of such survey of the Property as may be in the Vendor's possession or control
- VI. Topography report in Vendor's possession.

In the event of termination of this Agreement, the Buyer agrees to return forthwith and without to the seller all of the Seller's Deliveries and any copies of the same made by or for the Buyer. This provision shall survive the termination of this Agreement and shall continue to bind the Buyer until it has complied with.

Buyer's Condition

This Agreement is conditional for a period of (90) days from the date of completion of the Seller's deliveries upon the following:

- a. The Buyer satisfying itself, in its sole and unfettered discretion, that the existing use will be permitted under the current zoning regulations and that any registered covenants, agreements or restrictions are satisfactory to the Buyer in its absolute discretion.
- b. Buyer determining, at the Buyer's own expense, that: all environmental laws and regulations have been complied with; no hazardous conditions or substances exist on the land, no limitations or restrictions affecting the continued use of the property exist, other than those specifically provided for herein, no pending litigation respecting Environmental Matters, no outstanding Ministry of Environment Orders, investigation, charges or prosecutions respecting Environmental matters exist, there has been no prior use as a waste disposal site, and all applicable licenses are in force. The seller agrees to provide to the Buyer upon request, all documents, records, and reports relating to environmental matters in possession of the Seller. The Seller further authorized Ministry of Environment, to release to the Buyer, the Buyer's Representative or Solicitor, any and all information that may be on record in the ministry office with respect to the said property.
- c. The buyer satisfying itself, in its sole and unfettered discretion, that the soil condition of the Property will not result in any additional costs to the Buyer in constructing any improvements upon the property, the Buyer shall be entitled to enter upon the Property for the purpose of conducting any required investigations or tests and agrees to repair any damage to the Property caused by such tests. Seller agrees to provide the Buyer copies of all of the technical reports pertaining to the property, if any, which it currently possesses with two (2) business days of acceptance of this offer.
- d. The Buyer satisfying itself about the lot size and measurement of the subject property.
- e. The Buyer satisfying itself, in its sole, unfettered and arbitrary discretion, as to (i) the physical condition and state of the Property, (ii) the environmental condition of the Property, (iii) the Buyer's future usage of the Property, (iv) to obtain financing to fund its acquisition of the property, (v) title to the Property,

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

HH

INITIALS OF SELLER(S):

PD CS DS PS

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Schedule A Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: [REDACTED], and

SELLER: 1000602770 Ontario Ltd

for the purchase and sale of 225 Southgate Dr Guelph

ON N1G 3M5 dated the 9 day of May, 2024

Buyer agrees to pay the balance as follows:

(vi) such other matters relating to the Property as the Buyer in its sole discretion deems necessary or advisable. The Buyer, its agents and representatives, shall be allowed reasonable access to the Property as required by the Buyer from time to time during the Conditional Period and the Buyer shall be entitled to carry out such reasonable tests and inspections as the Buyer may deem necessary. The Buyer shall repair all damage caused by such inspection and restore the Property to its condition;

The above conditions are inserted for the sole benefit of the Buyer and may be waived in whole or in part by the Buyer at its sole discretion. The Buyer must notify the Seller in writing that the Buyer's Condition has been waived or satisfied within the time period specified above failing which this Agreement shall be automatically terminated and of no further force or effect and all deposit monies shall be returned to the Buyer without deduction and with interest, if any.

It is agreed that the Buyer shall have the right at any time prior to closing to assign this Agreement to a person(s), partnership(s) or corporation(s) (whether already in existence or yet to be organized). Upon notice of such assignment to the Seller or its solicitors, the Seller shall accept such assignee(s) in place of the Buyer and the assignee(s) shall assume all of the Buyer's rights and obligations hereunder to the same extent as if such assignee had executed this Agreement of Purchase and Sale as Buyer provided that upon such assignment, the Buyer named herein shall not be relieved of any liability hereunder unless and until the successful completion of the transaction contemplate by this Agreement.

The Seller makes the following representations and warranties which shall not merge on Closing and which are also conditions of closing this transaction and upon which the Buyer is relying and has relied in entering into this Agreement, namely:

1. The Seller has good title, power and absolute authority to convey the Property to the Buyer on Closing in accordance with the intention of this Agreement, free and clear of all encumbrances;
2. On Closing, the Seller will not be a non-resident of Canada within the meaning of the Income Tax Act;
3. The property complies in all respects with the relevant land use laws and regulations, statutes, requirements, regulations and by-laws of all Authorities and that the Property is zoned to permit the continuation of the uses presently being carried out thereon and any replacement thereof;
4. All accounts for work and services performed and materials places or furnished upon or in respect of the Property shall have been fully paid and satisfied on Closing and no one shall be entitled to claim a lien under the Construction Lien Act, R.S.O. 1990m chapter C.39 and/or any predecessor legislation relating thereto against the Property;
5. The Seller is not aware of any outstanding work orders or directives from the relevant Fire Marshall's office, Department of Public Works or Building Department;
6. The Seller has not received any notice, order or directive relating to and has no other information or knowledge of the existence of any hazardous or toxic substances in, on, over or under the Property or neighboring properties, or notice of the violation of any environmental laws or regulations with respect to the Property;
7. To the best of knowledge and belief of the Seller the property has been in compliance with all environmental laws, regulations and ordinances during the times that the Seller owned the Property

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

HH

INITIALS OF SELLER(S):

PS PD DS CS

EXHIBIT "N"

From: Tim Hogan
Sent: Thursday, June 20, 2024 2:33 PM
To: charnjit@tristarcarriers.net; dave@tristarcarriers.net; dani@tristarcarriers.net; parminder@tristarcarriers.net
Cc: Cian McDonnell - Scotiabank (Cian.McDonnell@scotiabank.com); Marsili, Silvio
Subject: FW: [External] 1000602770 Ontario Ltd. (the "Borrower") Indebtedness to Roynat Inc. [IWOV-HPMain.FID772187] [IMAN-HPMAIN.FID864736]
Attachments: Demand on Guarantee - Tristar Carriers Ltd. - 15-May-2024.pdf; Demand on Guarantee - Grewal, Charnjit Singh; Singh, Daler; Dania, Panveer Singh; Grewal, Parminder Singh - 15-May-2024.pdf; Demand Lt. - 1000602770 Ontario Ltd. - 15-May-2024.pdf
Importance: High

Good morning

Following on the below e-mail, we confirm that the notice period under the demand and notice issued to the Borrower and all guarantors dated May 15, 2024, has expired.

We also confirm that the sale of the Borrower's real property is now not proceeding, and the Borrower is in discussions with a potential new investor.

Roynat has been providing forbearance, and credit on a day-to-day basis in its discretion to permit the Borrower a short period of time to arrange for a transaction to see Roynat paid.

The Borrower has not responded to the Roynat's communications and requests for information. As a result, Roynat will now proceed to take steps to enforce security held.

You should have your lawyer contact us to discuss and arrange for service of any court application.

Thank-you.

Tim Hogan* | [HARRISON PENZA LLP](https://www.harrisonpensa.com) | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](https://www.harrisonpensa.com) | tel/ 519-661-6743 | fax 519-667-3362 | thogan@harrisonpensa.com Assistant | Aimee Newman | tel/ 519-850-5568 | anewman@harrisonpensa.com *Services provided by *T. Hogan Professional Corporation* through Harrison Pensa LLP.

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately

ROYNAT INC.

-and-

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
KITCHENER, ONTARIO

AFFIDAVIT OF CIAN MCDONNELL

HARRISON PENZA^{LLP}

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Timothy C. Hogan (LSO #36553S)
Robert Danter (LSO #69806O)

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rdanter@harrisonpensa.com

Solicitors for the Applicant,
Roynat Inc.

ROYNAT INC.

-and-

1000602770 ONTARIO LTD.

Applicant

Respondent

Court File No.

**ONTARIO
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KITCHENER, ONTARIO

APPLICATION RECORD

HARRISON PENZA^{LLP}

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London, Ontario N6A 5R2

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Solicitors for the Applicant,
Roynat Inc.