

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

11977636 CANADA INC.

Respondent

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

**APPLICATION RECORD OF BANK OF
MONTREAL (Returnable on January 14, 2025)**

December 13, 2024

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven Graff (LSO #31871V)

Tel: (416) 865-7726

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Lawyers for Bank of Montreal

TO: SERVICE LIST

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TAB 1

CV-24-00088321-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

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Applicant

- and -

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NOTICE OF APPLICATION

TO THE RESPONDENT

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

before a judge presiding over the Ontario Superior Court of Justice on Tuesday, January 14, 2025, at 10:00 a.m., via Zoom coordinates 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: December 9, 2024

Issued by Alexandre Boulianne Digitally signed by Alexandre Boulianne
Date: 2024.12.12 16:08:02 -05'00'

Local registrar

Address of
court office 45 Main Street East
Hamilton, ON L8N 2B7

TO: **11977636 CANADA INC.**
18 Blossom Lane
Hamilton, Ontario, L9C 2W6

APPLICATION

THE APPLICANT, the Bank of Montreal (“**BMO**”), makes application for, among other things, an Order:

- a) if necessary, abridging the time for service and filing of this notice of application and the application record or, in the alternative, dispensing with and/or validating service of same, and declaring that this Application is properly returnable before the Court;
- b) appointing, pursuant to section 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario), msi Spergel Inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, properties and undertakings (collectively, the “**Property**”) of the Respondent, 11977636 Canada Inc. (the “**Debtor**”), acquired for or used in relation to a business or businesses carried on by the Debtor, including, without limitation:
 - i) the real property municipally known as 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) (the “**Watford Property**”); and
 - ii) the real property municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in PIN 17292-0058 (LT) (the “**Hamilton Property**”) and together with the Watford Property, the “**Real Properties**”); and
- c) such further and other relief as is just.

THE GROUNDS for the application are:

1. The Debtor is a federally-incorporated corporation, incorporated on March 26, 2020, and extra-provincially registered to do business in Ontario, with its stated registered office at 18 Blossom Lane, Hamilton, Ontario, L9C 2W6. Taibah Chaudhary is listed as the director and officer of the Debtor.

2. The Debtor is a holding company, whose only material assets are the commercial, income-generating Real Properties.

Letter of Agreement and BMO's Security:

3. The Debtor is indebted to BMO with respect to certain credit facilities (the "**Credit Facilities**") made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated November 22, 2023 (as amended, replaced, restated or supplemented from time to time, the "**Credit Agreement**").

4. The Debtor's obligations to BMO pursuant to the Credit Agreement are guaranteed by Taibah Chaudhary pursuant to a limited personal guarantee dated December 14, 2023 up to the amount of \$2,060,000 (the "**Guarantor**" and together with the Debtor, the "**Credit Parties**").

5. As security for the Debtor's obligations to BMO, including, without limitation, under the Credit Agreement, the Debtor provided:

- a) a first-priority collateral charge/mortgage in favour of BMO, in the amount of \$1,325,000, in respect of the Watford Property (the "**Watford Charge**"), which was registered on title to the Watford Property on December 22, 2023 pursuant to instrument number LA306412;

- b) a General Assignments of Rents and Leases dated December 14, 2023, granted by the Debtor in respect of the Watford Property, which was registered on title to the Watford Property on December 22, 2023 pursuant to instrument number LA306413 and under the *Personal Property Security Act* (Ontario) (the “**PPSA**”);
- c) a first-priority collateral charge/mortgage in favour of BMO, in the amount of \$1,600,000, in respect of the Hamilton Property (the “**Hamilton Charge**”), which was registered on title to the Hamilton Property on December 22, 2023 pursuant to instrument number WE1716520;
- d) a General Assignments of Rents and Leases dated December 14, 2023, granted by the Debtor in respect of the Hamilton Property, which was registered on title to the Hamilton Property on December 22, 2023 pursuant to instrument number WE1716521 and under the PPSA; and
- e) a general security agreement dated December 14, 2023 (the “**GSA**”), which grants in favour of BMO, among other things, a security interest in any and all of the property, assets and undertakings of the Debtor, registration in respect of which was duly made pursuant to the PPSA,

(collectively, the “**Security**”).

6. BMO is the first-ranking secured creditor over the Watford Property pursuant to the Watford Charge. BMO is the first-ranking secured creditor over the Hamilton Property pursuant to the Hamilton Charge.

7. The terms of the Watford Charge and the Hamilton Charge each provide that BMO is entitled to move for the appointment of a receiver of the respective Real Properties in the event of a default by the Debtor.

8. BMO is the only party to have registered an interest under the PPSA in respect of the Debtor.

9. The GSA granted by the Debtor allows BMO to appoint a receiver over the Debtor's Property upon the occurrence of a default.

Defaults and Demands for Payment:

10. The obligations of the Debtor in respect of the Credit Agreement are due and payable at the option of BMO upon BMO making demand for repayment. There have been one or more defaults under the Credit Agreement, including, without limitation, monetary defaults.

11. Following the defaults under the Credit Agreement, BMO made formal written demand on the Debtor and the Guarantor for payment of the indebtedness owed to BMO by letters dated September 20, 2024 (the "**Demands**"), which letter to the Debtor was accompanied by a notice of intention to enforce security (the "**BIA Notice**") delivered to the Debtor pursuant to subsection 244(1) of the BIA.

12. As set out in the Demands and the BIA Notice, a total of \$2,042,243.48 (exclusive of legal fees, disbursements and accruing interest) was owing by the Debtor and the Guarantor to BMO under the Credit Agreement as of September 17, 2024 (the "**Indebtedness**"). The Indebtedness continues to accrue.

13. Following delivery of the Demands and BIA Notice, counsel for the Debtor contacted BMO's counsel and requested that BMO forbear from taking steps to advance the within application pending discussion of the terms of a possible forbearance agreement to be entered into by BMO and the Credit Parties. On October 30, 2024, BMO circulated a draft form of the forbearance agreement setting out the terms on which BMO was prepared to forbear from taking steps to advance this application pending a refinancing or sale transaction to, *inter alia*, repay the Indebtedness.

14. The Credit Parties failed or refused to execute the proposed forbearance agreement. Despite repeated follow-ups, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to BMO for the full repayment of the Indebtedness.

The Rationale for the Appointment Order:

15. The ten (10) day statutory period under subsection 244(1) of the BIA has now expired.

16. The provisions of the Security allow for the appointment of a Receiver over the Property of the Debtor upon default.

17. The principal amount of the Overdraft Lending Facility (“**ODL**”) granted under the Credit Agreement is \$60,000. The Debtor has allowed the ODL to be in excess of its limit since February 26, 2024. As at November 5, 2024, the ODL stood at \$105,000, which reflects an excess of \$45,000.

18. The appointment of a receiver is necessary for the protection of the interests of BMO as a secured creditor, alongside any other stakeholders.

19. The Receiver, if appointed, will be able to efficiently market the Real Properties for sale and maximize recovery for the stakeholders.

20. Spergel is a licenced insolvency trustee and has consented to act as Receiver if so appointed by the Court.

General Grounds:

21. Section 243 of the BIA.

22. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.

23. Any applicable rules of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.

24. Such further grounds as counsel may advise and this Court may permit.

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

25. The Affidavit of David Coutts sworn December 5, 2024, and all exhibits thereto;

26. The Consent of Spergel to act as Receiver; and

27. Such further and other evidence as counsel may advise and this Honourable Court may permit.

December 9, 2024

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven Graff (LSO #31871V)

Tel: (416) 865-7726

Email: sgraff@airdberlis.com

Matilda Lici (LSO #79621D)

Tel: (416) 865-3428

Email: mlici@airdberlis.com

Lawyers for the Bank of Montreal

BANK OF MONTREAL

- and -

11977636 CANADA INC.

Applicant

Respondent

Court File No. CV-24-00088321-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at Hamilton

**NOTICE OF APPLICATION
(Returnable January 14, 2025)**

AIRD & BERLIS LLP

Brookfield Place

181 Bay Street, Suite 1800

Toronto, ON M5J 2T9

Steven Graff (LSO #31871V)

Tel: (416) 865-7726

Email: sgraff@airdberlis.com

Matilda Lici (LSO #79621D)

Tel: (416) 865-3428

Email: mlici@airdberlis.com

Lawyers for the Bank of Montreal

TAB 2

**ONTARIO
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**AFFIDAVIT OF DAVID COUTTS
(sworn December 5, 2024)**

I, DAVID COUTTS, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Senior Account Manager in the Special Accounts Management Unit of Bank of Montreal (the “**Bank**” or “**BMO**”). The Bank is a secured creditor of 11977636 Canada Inc. (the “**Debtor**”), and I am one of the persons at the Bank responsible for management of the Debtor’s accounts and credit facilities. As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this Affidavit in support of BMO's application for an Order, *inter alia*, appointing msi Spergel Inc. ("**Spergel**") as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, properties and undertakings (collectively, the "**Property**") of the Debtor acquired for or used in relation to a business or businesses carried on by the Debtor, including, without limitation, the following real properties:

- (a) 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) (the "**Watford Property**"); and
- (b) 652 Parkdale Avenue North, Hamilton, Ontario, which is legally described in PIN 17292-0058 (LT) (the "**Hamilton Property**" and together with the Watford Property, the "**Real Properties**").

3. The Debtor is a federally-incorporated corporation, incorporated on March 26, 2020, and extra-provincially registered to do business in Ontario, with its stated registered office at 18 Blossom Lane, Hamilton, Ontario, L9C 2W6. Taibah Chaudhary is listed as the director and officer of the Debtor. Attached to this affidavit and marked as **Exhibit "A"** is a copy of the Corporate Profile Report of the Debtor.

4. The Debtor is a holding company, whose only material assets are the commercial, income-generating Real Properties.

Letter of Agreement and BMO's Security:

5. The Debtor is indebted to BMO with respect to certain credit facilities (the "**Credit Facilities**") made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated November 22, 2023 (as amended, replaced, restated or supplemented from time to time, the "**Credit Agreement**"), a copy of which is attached hereto and marked as **Exhibit "B"**.

6. The Debtor's obligations to BMO pursuant to the Credit Agreement are guaranteed by Taibah Chaudhary pursuant to a limited personal guarantee dated December 14, 2023 up to the amount of \$2,060,000 (the "**Guarantor**" and together with the Debtor, the "**Credit Parties**"), a copy of which is attached hereto as **Exhibit "C"**.

7. As security for the Debtor's obligations to BMO, including, without limitation, under the Credit Agreement, the Debtor provided:

- a) a first-priority collateral charge/mortgage in favour of BMO, in the amount of \$1,325,000, in respect of the Watford Property (the "**Watford Charge**"), which was registered on title to the Watford Property on December 22, 2023 pursuant to instrument number LA306412, which is attached hereto as **Exhibit "D"**;
- b) a General Assignments of Rents and Leases dated December 14, 2023, granted by the Debtor in respect of the Watford Property, which was registered on title to the Watford Property on December 22, 2023 pursuant to instrument number LA306413 and under the *Personal Property Security Act* (Ontario) (the "**PPSA**"), a copy of which instrument is attached hereto as **Exhibit "E"**;
- c) a first-priority collateral charge/mortgage in favour of BMO, in the amount of \$1,600,000, in respect of the Hamilton Property (the "**Hamilton Charge**"), which was registered on title to the Hamilton Property on December 22, 2023 pursuant to instrument number WE1716520, which is attached hereto as **Exhibit "F"**;
- d) a General Assignments of Rents and Leases dated December 14, 2023, granted by the Debtor in respect of the Hamilton Property, which was registered on title to the

Hamilton Property on December 22, 2023 pursuant to instrument number WE1716521 and under the PPSA, a copy of which instrument is attached hereto as **Exhibit “G”**; and

- e) a general security agreement dated December 14, 2023 (the “**GSA**”), which grants in favour of BMO, among other things, a security interest in any and all of the property, assets and undertakings of the Debtor, registration in respect of which was duly made pursuant to the PPSA, and which is attached hereto as **Exhibit “H”**,

(collectively, the “**Security**”).

8. A copy of the Standard Charge Terms relating to the Watford Charge and the Hamilton Charge are attached hereto as **Exhibit “I”**.

9. Copies of the parcel registers for the Real Properties, current to September 16, 2024, are attached hereto as **Exhibit “J”**. BMO is the first-ranking secured creditor over the Watford Property pursuant to the Watford Charge. BMO is the first-ranking secured creditor over the Hamilton Property pursuant to the Hamilton Charge. The terms of the Watford Charge and the Hamilton Charge each provide that BMO is entitled to move for the appointment of a receiver of the respective Real Properties in the event of a default by the Debtor:

Upon the occurrence of a Default, in addition to any other remedies available to the Mortgagee, the Mortgagee may by instrument in writing appoint a Receiver of all or any part of the Mortgaged Land and all rents, incomes, profits and other amounts now or hereafter arising therefrom. The Mortgagee may also apply to any court of competent jurisdiction for the appointment of a Receiver.

10. BMO is the only party to have registered an interest under the PPSA in respect of the Debtor. A copy of the PPSA search for the Debtor, with a run date of September 18, 2024, is attached hereto as **Exhibit “K”**.

11. The GSA granted by the Debtor allows BMO to appoint a receiver over the Debtor’s Property upon the occurrence of a default. Section 10 of the GSA provides:

Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. [...]

[Emphasis added in underline.]

Defaults and Demands for Payment:

11. The obligations of the Debtor in respect of the Credit Agreement are due and payable at the option of BMO upon BMO making demand for repayment. There have been one or more defaults under the Credit Agreement, including, without limitation, monetary defaults.

12. Following the defaults under the Credit Agreement, BMO made formal written demand on the Debtor and the Guarantor for payment of the indebtedness owed to BMO by letters dated September 20, 2024 (the “**Demands**”), which letter to the Debtor was accompanied by a notice of intention to enforce security (the “**BIA Notice**”) delivered to the Debtor pursuant to subsection 244(1) of the BIA. Copies of the Demands and BIA Notice are attached hereto as **Exhibit “L”**.

13. As set out in the Demands and the BIA Notice, a total of \$2,042,243.48 (exclusive of legal fees, disbursements and accruing interest) was owing by the Debtor and the Guarantor to BMO under the Credit Agreement as of September 17, 2024 (the “**Indebtedness**”). The Indebtedness continues to accrue.

14. Following delivery of the Demands and BIA Notice, counsel for the Debtor contacted BMO’s counsel and requested that BMO forbear from taking steps to advance the within application pending discussion of the terms of a possible forbearance agreement to be entered into by BMO and the Credit Parties. On October 30, 2024, BMO circulated a draft form of the forbearance agreement setting out the terms on which BMO was prepared to forbear from taking steps to advance this application pending a refinancing or sale transaction to, *inter alia*, repay the Indebtedness.

15. The Credit Parties failed or refused to execute the proposed forbearance agreement. Despite repeated follow-ups, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to BMO for the full repayment of the Indebtedness.

The Rationale for the Appointment Order:

16. The ten (10) day statutory period under subsection 244(1) of the BIA has expired.

17. The provisions of the Security allow for the appointment of a Receiver over the Property of the Debtor upon default.

18. The Debtor is in default of its obligations under the Credit Agreement and the Security. At this stage, BMO considers the only reasonable and prudent path forward to be to take any and all steps necessary to protect the Property, and it is within BMO’s rights under the Security to do so.

19. The principal amount of the Overdraft Lending Facility (“**ODL**”) granted under the Credit Agreement is \$60,000. The Debtor has allowed the ODL to be in excess of its limit since February 26, 2024. As at November 5, 2024, the ODL stood at \$105,000, which reflects an excess of \$45,000.

20. The appointment of a receiver is necessary for the protection of the interests of BMO as a secured creditor, alongside any other stakeholders.

21. BMO proposes that Spergel be appointed as Receiver, without security, over all of the assets, undertakings and properties of the Debtor. Spergel is qualified to act as receiver and has consented to act as receiver if so appointed by the Court.

SWORN remotely by **DAVID COUTTS**,
via videoconference, stated as being located
in the City of Toronto, in the Province of
Ontario, before me at the City of Toronto, in
the Province of Ontario, this day of
December 2024, in accordance with O. Reg
431/20, Declaration Remotely.

DocuSigned by:
Matilda Lici
70E676F4A8D40A...

Commissioner for Taking Affidavits
Matilda Lici

Signed by:
David Coutts
C39BD08266B743A...

DAVID COUTTS

This is Exhibit "A" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici

7CE576E4AA3D4CA...

A Commissioner, etc.
Matilda Lici




Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)

→ [Search for a Federal Corporation](#)

Federal Corporation Information - 1197763-6

 Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

Note

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

[Order copies of corporate documents](#)

Corporation Number

1197763-6

Business Number (BN)

739851335RC0001

Corporate Name

11977636 Canada Inc.


Status

Active

Governing Legislation

Canada Business Corporations Act - 2020-03-26

[Order a Corporate Profile](#) [[View PDF Sample](#)] [[View HTML Sample](#)].

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#) 

Registered Office Address

18 Blossom Lane
Hamilton ON L9C 2W6

Canada

i Note

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

Directors

Minimum 1

Maximum 25

Taibah Chaudhary
18 Blossom Lane
Hamilton ON L9C 2W6
Canada

i Note

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

Individuals with significant control

No information has been filed.

[Learn more about when this information must be filed.](#)

i Note

Active CBCA corporations are required to update this information annually (with their annual return) and within 15 days of a change in their ISC register via the Online Filing Centre. A corporation key is required. If you are not authorized to update this information, you can contact either the corporation or Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

03-26

Date of Last Annual Meeting

2023-11-30

Annual Filing Period (MM-DD)

03-26 to 05-25

Type of Corporation

Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings

2024 - Overdue

2023 - Filed

2022 - Filed

Corporate History

Corporate Name History

2020-03-26 to Present

11977636 Canada Inc.

Certificates and Filings**Certificate of Incorporation**

2020-03-26

[Order copies of corporate documents](#)[Start New Search](#)[Return to Search Results](#)**Date Modified:**

2024-07-30

This is Exhibit "B" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici
7CF576F4AA3D4CA

A Commissioner, etc.
Matilda Lici

Letter of Agreement



100 NEW PARK PLACE - UNIT 320
VAUGHAN, ONTARIO, L4K 0H9

November 22, 2023

11977636 CANADA INC.
18 BLOSSOM LANE,
HAMILTON, ONTARIO, L9C 2W6

Attention: Ms. Taibah Chaudhary - Director

LETTER OF AGREEMENT

Bank of Montreal (together with BMO Bank N.A. and Bank of Montreal's other affiliates and their respective successors who are owed any present or future debts, liabilities or obligations by the Borrower, collectively "BMO") is pleased to advise that it has authorized the following new credit facilities for **11977636 CANADA INC.** (each, a "Facility" and collectively, the "Facilities") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule E.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements:

- (1) the Facilities are uncommitted and any Advance under any Facility will be made at BMO's sole discretion. Any unutilized portion of any Facility may be cancelled by BMO at any time without prior notice; and
- (2) each Facility and all other amounts owing under or in connection with this Letter of Agreement are repayable on demand.

Borrower:	11977636 CANADA INC. (the "Borrower")
Guarantor:	TAIBAH CHAUDHARY (the "Guarantor")
Total Facility Limit:	The total approved amount of all facilities shall not exceed \$2,060,000.00 at any time.



Your Product Summary

Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Real Estate Facility - Shared limit/Multi-product/Multi-draw	\$750,000.00	CAD
2	Real Estate Facility - Shared limit/Multi-product/Multi-draw	\$1,200,000.00	CAD
3	BMO Corporate MasterCard	\$50,000.00	CAD
4	Overdraft Lending Product - CDN	\$60,000.00	CAD

Your Product Details

Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - New

Facility Authorization: \$750,000.00 CAD

Current Advanced Amount: \$0.00 CAD

Available Amount: \$750,000.00 CAD

Type of Loan: Real Estate Financing

Purpose: To refinance an investor owned commercial/agricultural property, located at 5641 Nauvoo Road, Watford, ON, for the following purposes:

- (i) \$660,000.00 will be used to repay in full existing private mortgage in the amount of \$660,000.00 over the above property.
- (ii) The remaining \$90,000.00 will be used as part of funds required to repay existing existing mortgage registered over property under Facility #2.

Maximum Amortization: 240 months

Advance Options(each a "Loan" and collectively the "Loans")

Additional Details

Demand Loan Non Revolving **Interest Rate:** Prime Rate plus 1.50% per annum. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of November 22, 2023 is 7.20%.



Your Product Summary

Repayment Terms: Repayable on demand, provided that until demand is made by BMO:

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Maximum Term: 1 year

Prepayments of principal in whole or in part are permitted, without penalty

Fixed Rate Term Loan **Type of Loan:** Closed Term Loan

Interest Rates: To be determined at the time of the Advance

By way of reference only, the rate in effect per annum as of Nov. 22/ 2023 for the following terms are:

1 year: 8.25%

2 year: 7.77%

3 year: 7.56%

4 year: 7.58%

5 year: 7.54%

Subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

Repayment Terms: On demand by BMO, provided that until BMO makes demand:

Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

Prepayment Terms: *Closed Term Loan Only*

Prepayment not permitted in whole or in part, prior to the maturity date.

Term: 1-5 years

Maturity Date: Without limiting BMO's right to demand, the last day of the month determined based on the term selected and the date of advance. At any time prior to the Maturity Date, provided that no Default has occurred and is continuing and that the Borrower is in compliance with the covenants in



Your Product Summary

Schedule A, the Borrower may request in writing that this Agreement be renewed. Any renewal of this Agreement shall be (i) subject to the terms and conditions contained herein, and (ii) documented in writing on terms satisfactory to BMO and the Borrower.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Advance under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 2 - New

Facility Authorization:	\$1,200,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	\$1,200,000.00 CAD
Type of Loan:	Real Estate Financing
Purpose:	Funds to be used to repay existing mortgage over the property located at 652 Parkdale Ave. North, Hamilton, Ontario, in the amount of \$1,300,000.00. The remaining \$90,000.00 will come from the Facility#1 above and any additional funds from Borrower.
Maximum Amortization:	240 months
Advance Options (each a "Loan" and collectively the "Loans")	Additional Details
Demand Loan Non Revolving	Interest Rate: Prime Rate plus 1.50% per annum. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of November 22, 2023 is 7.20%. Repayment Terms: Repayable on demand, provided that until demand is made by BMO: Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization



Your Product Summary

and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty

Fixed Rate Term Loan

Type of Loan: Closed Term Loan

Interest Rate: To be determined at time of Advance.

By way of reference only, the rate in effect per annum as of Nov. 22/2023 for a **1 Year Term** is **8.25%** Subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

Repayment Terms:

Blended monthly payments comprising of principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

Prepayment Terms: *Closed Term Loan Only*

Prepayment not permitted in whole or in part, prior to the maturity date.

Maximum Term: 1 year

Maturity Date: Without limiting BMO's right to demand, the last day of the month determined based on the term selected and the date of advance. At any time prior to the Maturity Date, provided that no Default has occurred and is continuing and that the Borrower is in compliance with the covenants in Schedule A, the Borrower may request in writing that this Agreement be renewed. Any renewal of this Agreement shall be (i) subject to the terms and conditions contained herein, and (ii) documented in writing on terms satisfactory to BMO and the Borrower.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Advance under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.



Your Product Summary

BMO Corporate MasterCard

Facility # 3 - New

Facility Authorization:	\$50,000.00 CAD
Type of Loan:	Corporate MasterCard ^{Â®}
Purpose:	Operating Financing
Interest Rate:	As determined by Corporate MasterCard Agreement.
Repayments:	As determined by Corporate MasterCard Agreement.
Facility Fee:	As determined by Corporate MasterCard Agreement.

Â® MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.

Overdraft Lending Product - CDN

Facility # 4 - New

Facility Authorization:	\$60,000.00 CAD
Type of Loan:	Operating Demand Loan
Purpose:	Operating Financing
Interest Rate:	<p>Prime Rate plus 1.5% per annum. Interest is calculated monthly in arrears, and payable monthly on the last day of each month. The Prime Rate in effect as of November 22, 2023 is 7.20%.</p> <p>BMO is experiencing a technical issue that causes overdraft advances under this Facility to be charged interest at the Overdraft Rate (currently 21% per annum) rather than the per annum interest rate applicable to the Facility described above. This issue will be corrected by the BMO within 10 Business Days of the start of the second month following the date of this Letter of Agreement. The BMO will credit to the Borrower any amounts overpaid as a result of the issue, together with interest on such amounts at the prevailing Bank of Canada rate per annum payable at the end of the first month following the date of this Letter of Agreement. Once corrected, the issue is not anticipated to reoccur. Any overdraft advances that exceed the Facility Authorization are excluded from the foregoing and will be charged the Overdraft Rate.</p>
Repayments:	Repayable on demand
Facility Fee:	\$50.00 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees.
Other Costs:	BMO is not obliged to permit the Advances under this Facility to exceed the Facility Authorization.



Your Product Summary

If the Advances under this Facility exceeds the Facility Authorization, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Facility Authorization or \$100.00, whichever is greater and a \$5.00 overdraft handling charge per item that creates or increases the excess.



Terms and Conditions

SER WARWICK PT 1, 25R5230, WARWICK, ONTARIO, with the municipal address of 5641 Nauvoo Road, Watford, ONTARIO (the "Mortgaged Property") with appropriate enabling Resolutions and Documentation
Assignment of Rents over 5641 Nauvoo Road, Watford, ONTARIO, to be registered under PPSA if applicable.

4. Registered first-ranking All Indebtedness Mortgage in the amount of \$1,600,000.00 registered over PART LOT 32 CONCESSION BROKEN FRONT SALT FLEET, PART 2 62R21646 CITY OF HAMILTON, ONTARIO with the municipal address of 652 Parkdale Ave. North, Hamilton, Ontario (the "Mortgaged Property") with appropriate enabling resolutions and Documentation
Assignment of Rents over 652 Parkdale Ave. North, Hamilton, Ontario to be registered under PPSA if applicable
5. \$2,060,000.00 Personal guarantee from TAIBAH CHAUDHARY
6. Registered General Security Agreement ("GSA") providing BMO with a security interest over all present and after-acquired personal property of the Borrower with a First ranking for Inventory/Warehouse Receipts, CDN Accounts Receivable, Machinery and Equipment
7. Letter of Acknowledgement signed by Borrower and Guarantor acknowledging that BMO is obtaining collateral charges greater than the authorized loans which does not entitle for an automatic approval of new advances. Any new request is still subject to credit approval

Any other documents, instruments or agreements as may be required by BMO, acting reasonably to the extent permitted by law, and despite anything to the contrary in any particular Security document: (a) all present and future debts, liabilities and obligations of the Borrower to Bank of Montreal, BMO Bank N.A. and Bank of Montreal's other affiliates and their successors under the Facilities and all indemnity obligations owed by Bank of Montreal to any of its affiliates related to the Facilities will be secured by the Security, and (b) Bank of Montreal will hold all Security as agent for itself and for its affiliates who are owed any present or future debts, liabilities or obligations in connection with any Facility.

Covenants:

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

Financial Covenants:

Nil

Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. The Borrower will not, without BMO's prior written consent, participate in any retrofit project or energy or water efficiency project affecting the Mortgaged Properties which would have the effect of creating a lien, hypothec or other interest (including, but without limitation, a local improvement charge or similar interest) in the Mortgaged Properties ranking, or potentially ranking, in priority to or *pari passu* with the interest of BMO in the Mortgaged Property, whether or not such project is sponsored or endorsed by a municipal or other government, governmental organization or utility.

Reporting Requirements:

The following items are to be provided to the bank, within 180 days of Borrower's fiscal year-end:

Annual

- Accountant-prepared Compilation Engagement Fiscal Year-End Financial Statements of the Borrower
- Borrower's T2 Income Tax Return and Notice of Assessment
- T1 Personal Income Tax Return and Notice of Assessment of personal guarantor Taibah Chaudhary
- Completed and Signed Personal Net Worth Statement of the personal guarantor upon Bank's request



Terms and Conditions

- Payment confirmation of realty taxes for the Mortgaged Properties
- Insurance Confirmation for Mortgaged Properties, with BMO reflected as 1st Loss Payee
- Copies of Lease Renewals of the Mortgaged Properties

Any other additional documentation, that BMO may require from time-to-time

A \$100.00 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$10,300.00 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Annual credit renewal fees are payable to BMO each year. At the date of this letter, such fees are \$2,060.00. Each year, the amount of such annual credit renewal fees will be the same as the prior year unless BMO provides prior written notice that such annual credit renewal fees are changing from the prior year. If BMO provides such notice, then the annual credit renewal fees for that year and each subsequent year will be as described by BMO until and unless BMO provides prior written notice that such annual credit renewal fees are changing.

All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

If the total Advances exceed the Facility Authorization, the excess will bear interest at the Overdraft Rate, which is currently 21.0% per annum. BMO shall also be entitled to charge the Borrower a fee of \$100.00 each time an excess is created.



Terms and Conditions

If the Borrower requests or requires any amendment to this agreement or any other Loan Document, BMO shall be entitled to an amendment fee of at least \$100.00 per amendment, in addition to all other fees, costs and charges payable by the Borrower.

Cancellation

The cancellation period is 3 business days. The cancellation period is the period in which the borrower can close the new loan(s) established in this agreement. BMO will provide a notice acknowledging the cancellation and outlining any amounts and expenses owed to BMO and any amount that BMO will return to the Borrower in relation to the use of the Loan. The Borrower's cancellation right for a loan or line of credit is in addition to any repayment rights under this agreement. The Borrower has no cancellation right for a credit card.

Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. If the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

Commercial Loan Insurance Plan:

You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.

Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

Governing Law:

Ontario and the federal Laws of Canada applicable therein.

Schedules:

The following Schedules are attached to and form part of this letter of agreement:

Schedule A – Covenants

Schedule B – Representations and Warranties

Schedule C – Conditions Precedent to Advances

Schedule D – Additional Terms

Schedule E – Definitions

BMO's Legal Counsel: Schwarz Law Partners Ltd.



Agreement and Consent

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than December 11, 2023. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,
BANK OF MONTREAL

E-SIGNED by FATIMA CASTRO-ALVES

By: _____ on 2023-11-30 20:25:17 GMT

Name: FATIMA CASTRO

Title: Senior Relationship Manager

[(416) 427-1782]

Accepted and agreed to this _____ day of _____, 20____ 2023-11-30
(Day) (Month) (Year)

BORROWER:
11977636 CANADA INC.

E-SIGNED by Taibah Chaudhary

Signature: _____ on 2023-11-30 20:20:12 GMT

Name: Taibah Chaudhary

Title: Director

GUARANTOR:

TAIBAH CHAUDHARY

E-SIGNED by Taibah Chaudhary

Signature: _____ on 2023-11-30 20:20:15 GMT

Name: Taibah Chaudhary

E-SIGNED by FATIMA CASTRO-ALVES

Witness Signature: _____ on 2023-11-30 20:25:31 GMT

Witness Name: Fatima Castro - SRM



SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. If there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.



Schedules

15. If any loan which, by its terms, is not permitted to be prepaid prior to maturity, is (a) permitted by BMO to be prepaid in its sole and unfettered discretion, or (b) accelerated as a result of demand made by BMO or the occurrence of a default or Event of Default or following the bankruptcy or insolvency of the Borrower, then in each case, the Borrower shall compensate BMO on demand for the loss, cost and expense attributable to such prepayment or acceleration prior to maturity, as calculated by BMO. BMO shall not be required to disclose any components of such calculation which BMO determines is proprietary or commercially sensitive



SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.



SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and “know your customer” requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.
13. Compliance with all covenants (financial and non-financial) contained herein
14. Compliance with all Laws
15. Satisfactory evidence that all other taxes payable by the Borrower and Guarantor(s) (including, without limitation, GST, HST, sales tax, and withholding) have been paid to date
16. No material judgments or material legal action initiated against the Borrower and/or any Guarantor(s)



SCHEDULE D

Additional Terms

Expenses: The Borrower(s) shall pay all reasonable costs and expenses of BMO associated with the preparation, due diligence (including third party expenses), administration and enforcement of this Letter of Agreement, the Facilities, the Security, and the other loan documentation, regardless of whether or not any advances are made or all of the conditions precedent are satisfied or waived in BMO's discretion.

Increased Costs, Taxes, etc.: If in respect of any change in or introduction of any law, regulation, order, rule, request, or directive (whether or not having the force of law but of a kind which is intended to be generally complied with by banks) or in the interpretation thereof by any authority charged with the administration thereof or by any court of competent jurisdiction:

(a) BMO incurs a cost (which it would not otherwise have incurred), becomes subject to a tax, or becomes liable to make a payment (calculated with reference to the amount outstanding or available under a Facility) with respect to continuing to provide or maintain such Facility (other than a tax imposed on the income of BMO);

(b) any reserve, special deposit or similar requirement is imposed or increased with respect to any Facility increasing the cost thereof to BMO; or

(c) BMO suffers or will suffer a reduction in the rate of return on its overall capital (other than a reduction by reason of an income tax referred to in (a) above) as a result of the amount of the capital that BMO is required to maintain being increased or of any change in the manner in which BMO is required to allocate its resources;

then the Borrower(s) shall, upon receiving written notice from BMO, pay to BMO such amount as will compensate BMO for, and will indemnify and hold BMO harmless against, such increases in cost or reductions of rate of return with respect to the applicable Facilities accruing after the date the notice is issued. The notice issued by BMO setting out the amount and basis for the amount of such additional payment required shall be deemed to be *prima facie* correct.

Confidential Information Release and The Borrower(s) consents to the release of confidential information regarding the business by BMO to affiliates and subsidiaries of BMO for the purpose of assisting BMO in supporting the Borrower(s) with its strategic plans.



Consent:

The Borrower(s) authorizes and consents to reproduction, disclosure and use by BMO of information about the Borrower(s) (including, without limitation, the Borrower(s)'s name and any identifying logos) and the Facilities (all such information being called the "**Information**") to enable BMO to publish promotional "tombstones" and other forms of notices of the Facilities in any manner and in any media (including, without limitation, brochures, league table purposes). The Borrower(s) acknowledges and agrees: that BMO shall be entitled to determine, in its discretion, whether to use the Information; that no compensation will be payable by BMO resulting therefrom; and that BMO shall have no liability whatsoever to the Borrower(s) or any of its employees, officers, directors, affiliates or shareholders in obtaining and using the Information in accordance with this paragraph.

Indemnification:

The Borrower(s) agrees to indemnify BMO, its affiliates and each of their respective officers, directors, employees, agents and advisors, and save each of them harmless, from and against any and all direct and indirect losses, claims, damages and liabilities arising from activities under or contemplated under this Letter of Agreement, the Security and the other loan documents, other than as a direct result of the gross negligence or willful misconduct of BMO as determined by a final and non-appealable order of a court of competent jurisdiction.

Announcements:

The Borrower(s) shall permit BMO to review and approve of any reference to BMO contained in any press release or similar public disclosure in connection with the Facilities.

Assignment:

The Borrower(s) shall not assign any of its rights or obligations hereunder or under any other loan document.

BMO shall have the right to assign, insure, re-insure, sell or participate its rights and obligations under this Letter of Agreement and the other loan documents, including (without limitation) in the Facilities or in any borrowing hereunder, in whole or in part, to any other person, subject to the consent of the Borrower(s) not to be unreasonably withheld. Notwithstanding the foregoing, the consent of the Borrower(s) is not required if a Default has occurred and is continuing or if the Borrower(s) or any Guarantor is insolvent, bankrupt or has taken any action or sought any relief under any insolvency, restructuring or analogous corporate laws.

Amendments:

This Letter of Agreement can only be amended through a written instrument signed by BMO. The Borrower is solely responsible to notify any Guarantors of any amendments.



- No Waiver:** BMO reserves all of its rights, remedies and recourses at any time and from time to time in connection with this Letter of Agreement and the other Documentation, and the entering into or continued performance by BMO of any Documentation shall not be construed as a waiver or forbearance of any Default. Any such waiver or forbearance must be express (and not implied) on the part of BMO and made in writing.
- Whole Agreement:** This Letter of Agreement and the other Documentation constitute the whole and entire agreement between the parties in respect of the Facilities. Any previous agreements, understandings, undertakings or arrangements are superseded and replaced by this Letter of Agreement and the other Documentation.
- Withholding Taxes:** Except as otherwise required by law, all payments made by the Borrower(s) to BMO hereunder shall be made without withholding for or on account of any present or future taxes imposed by or within the jurisdiction in which the Borrower(s) is domiciled, any jurisdiction from which the Borrower(s) makes any payment or any other jurisdiction, or (in each case) any political subdivision or taxing authority thereof or therein (other than taxes in respect of the net income, assets or capital of BMO). If any such withholding is required by law, the Borrower(s) shall make the withholding, pay the amount withheld to the appropriate governmental authority before penalties attach thereto or interest accrues thereon and forthwith pay to BMO such additional amount as may be necessary to ensure that the net amount actually received by BMO (after payment of such taxes including any taxes on such additional amount paid) is equal to the amount which it would have received if no amounts had been withheld.
- Matters relating to Interest:** Unless otherwise indicated, interest on any outstanding principal amount and all other amounts (including unpaid interest) shall be calculated daily and shall be payable monthly in arrears on the first business day of the following month; and if the maturity date of a Facility is not the end of a month, all accrued and unpaid interest in respect of such Facility shall be paid on such maturity date. Interest shall accrue from and including the day upon which an advance is made or is deemed to have been made, and ending on but excluding the day on which such advance is repaid or satisfied. Any change in the Prime Rate or the Base Rate shall cause an immediate adjustment of the interest rate applicable to Prime Rate based loans or Base Rate based loans, as applicable, without notice to the Borrower.
- Unless otherwise stated, in this Letter of Agreement if reference is made to a rate of interest, fee or other amount "per annum" or a similar expression is used, such interest, fee or other amount shall be calculated on the basis of a year of 365 or 366 days, as the case may be. If the amount of any interest, fee or other amount is determined or expressed on the basis of a period of less than 1 year or 365 or 366 days, as the case may be, the equivalent yearly rate is equal to the rate so



determined or expressed, divided by the number of days in the said period, and multiplied by the actual number of days in that calendar year. BMO agrees that promptly upon request by the Borrower from time to time it will advise the Borrower of the Prime Rate and the Base Rate in effect at such time (or during any other period prior to such time), and will assist the Borrower in calculating the effective annual rate of interest required to be disclosed pursuant to section 4 of the *Interest Act* (Canada).

If the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under this Letter of Agreement or any of the Documentation would otherwise contravene the provisions of section 347 of the *Criminal Code* (Canada), section 4 or section 8 of the *Interest Act* (Canada) or any successor or similar legislation, or would exceed the amounts which BMO 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 BMO shall apply such excess against the outstanding indebtedness and refund any further excess amount.

Default Interest: Applicable margins and interest rates which would be otherwise applicable shall increase by 2% points upon the occurrence of and during continuance of a Default.

Interpretation:

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "or" is disjunctive; the word "and" is conjunctive. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or replaced (subject to any restrictions on such modifications set out herein), (b) any reference herein to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time, (c) any reference herein to any person shall be construed to include such person's successors and permitted assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Letter of Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Letter of Agreement, (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, and (g) any use of "including" or "includes" is not intended to be limited and shall be read to mean



obligations contained in this Letter of Agreement and the other Documentation, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under this Letter of Agreement or any other Documentation or under any judgment or order.

**No Advisory or
Fiduciary Duty:**

The Borrower acknowledges and agrees, and acknowledges its subsidiaries' understanding, that BMO will not have any obligations hereunder except those obligations expressly set forth herein and in the other Documentation and that BMO is acting solely in the capacity of an arm's length contractual counterparty to the Borrower with respect to the Documentation and the transaction contemplated therein and not as a financial advisor or a fiduciary to, or an agent of, the Borrower or any other person. The Borrower agrees that it will not assert any claim against BMO based on an alleged breach of fiduciary duty by BMO in connection with this Letter of Agreement or the other Documentation and the transactions contemplated thereby. Additionally, the Borrower acknowledges and agrees that BMO is not advising the Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. The Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and BMO shall have no responsibility or liability to the Borrower with respect thereto.

Set Off:

BMO and its affiliates may set off any obligations owing under or in connection with this Letter of Agreement and the Facilities against any money and other property maintained in any accounts of the Borrower held with BMO or its affiliates.

Quebec Matters:

For purposes of any assets, liabilities or entities located in the Province of Québec and for all other purposes pursuant to which the interpretation or construction of this Letter of Agreement may be subject to the laws of the Province of Québec or a court or tribunal exercising jurisdiction in the Province of Québec: (a) "personal property" shall include "movable property", (b) "real property" or "real estate" shall include "immovable property", (c) "tangible property" shall include "corporeal property", (d) "intangible property" shall include "incorporeal property", (e) "security interest", "mortgage" and "lien" shall include a "hypothec", "right of retention", "prior claim", "reservation of ownership" and a resolutive clause, (f) all references to filing, perfection, priority, remedies, registering or recording under a Personal Property Security Act shall include publication under the Civil Code of Québec, (g) all references to "perfection" of or "perfected" liens or security interest shall include a reference to an "opposable" or "set up" hypothec as against third parties, (h) any "right of offset", "right of setoff" or similar expression shall include a "right of compensation", (i) "goods" shall include "corporeal movable property" other than chattel paper, documents of title, instruments, money and securities, (j) an "agent"



shall include a "mandatory", (k) "joint and several" shall include "solidary", (l) "gross negligence or willful misconduct" shall be deemed to be "intentional or gross fault", (m) "beneficial ownership" shall include "ownership on behalf of another as mandatory", (n) "easement" shall include "servitude", (o) "priority" shall include "rank" or "prior claim", as applicable (p) "accounts" shall include "claims", (q) "legal title" shall be including "holding title on behalf of an owner as mandatory or prête-nom", and (r) "guarantee" and "guarantor" shall include "suretyship" and "surety", respectively.

Benchmark Replacement Mechanics:

Unless otherwise defined, capitalized terms have the meanings given to them in the Letter of Agreement and Schedule E.

Definitions:

Benchmark: For:

- (a) CORRA, initially, the Term CORRA Reference Rate; and
- (b) SOFR, initially, Term SOFR,

provided that if a Benchmark Transition Event has occurred with respect to any of the foregoing or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate under this Schedule.

Benchmark Replacement: With respect to any Benchmark Transition Event:

- (a) where a Benchmark Transition Event has occurred with respect to Term CORRA Reference Rate, the Benchmark Replacement will be the Prime Rate; and;
- (b) where a Benchmark Transition Event has occurred with respect to a Benchmark other than the Term CORRA Reference Rate, the Benchmark Replacement will be the sum of:
 - i. the alternate benchmark rate that has been selected by BMO in its discretion but considering:
 - (1) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by an applicable Governmental Authority, or
 - (2) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for similar credit facilities, and
 - ii. the related Benchmark Replacement Adjustment.



If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than any applicable floor, the Benchmark Replacement will be deemed to be that floor for the purposes of this Letter of Agreement and the other Documentation. If there is no floor, then the floor shall be deemed to be 1%.

Benchmark Replacement Adjustment:

With respect to any replacement of the then-current Benchmark with a Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by BMO in its discretion but considering: (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark by the applicable governmental authority, or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark for similar credit facilities at such time.

Benchmark Transition Event:

With respect to any then-current Benchmark, the occurrence of any of the following events as determined by BMO in its sole discretion:

- (a) that Benchmark or any interest period of that Benchmark is no longer available or published or representative;
- (b) the administrator, regulatory supervisor or other applicable governmental authority having jurisdiction over the Benchmark has made a public statement that the Benchmark or any interest period of the Benchmark will no longer be made available, used or advisable for determining interest rates of loans; or
- (c) loans are currently being executed containing, or loans that include benchmark replacement language similar to that contained in this Letter of Agreement, are being executed or modified (as applicable) to incorporate or adopt, a new interest rate to replace a Benchmark.



Conforming Changes:

With respect to the use or administration of a Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to definitions, pricing, applicable margins and other provisions of any Documentation, timing and frequency of determining rates and making payments of interest, timing of loan requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods and other technical, administrative or operational matters) that BMO decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by BMO in a manner substantially consistent with market practice (or, if BMO decides that adoption of any portion of such market practice is not administratively feasible or if BMO determines that no market practice for the administration of any such rate exists, in such other manner of administration as BMO decides is reasonably necessary in connection with the administration of this Letter of Agreement and the other Documentation.

REPLACEMENT MECHANICS:

1. **Rates and No Liability:** BMO does not warrant or accept responsibility for, and won't have any liability with respect to:
 - a. Continuation, administration, calculation or any other matter related to CORRA, SOFR or any other Benchmark or any term, interest rate or interest period related to any of them;
 - b. the effect, implementation or composition of any Conforming Changes;
 - c. whether any adjustments to Term CORRA, Term SOFR or other Benchmark is similar to, or produces, the economic equivalence of any prior reference interest rate, index or other credit availment;
 - d. the liquidity or availability of any Benchmark or interest period thereof;
 - e. any other direct or indirect consequence of a Benchmark, Benchmark Transition Event, Benchmark Replacement, Conforming Changes or other consequence of any reference rate adjusting or ceasing in the future.

2. **Benchmark Replacement:** Notwithstanding anything to the contrary in this Letter of Agreement or any other Documentation (and BMO may determine if it requires applicable swap and hedge agreements to be Documentation for the purposes of these mechanics), if a Benchmark Transition Event occurs, then:
 - a. in the case of a Benchmark Replacement under clause (a) of that definition [*Term CORRA to Prime Rate*], such Benchmark Replacement will replace the applicable Benchmark for all purposes under the Documentation for that Benchmark without any further action or consent of any party, provided BMO may make Conforming Changes as required; and
 - b. in the case of a Benchmark Replacement under clause (b) of that definition [*anything other than Term CORRA*], such Benchmark Replacement will replace the applicable Benchmark for all purposes under the Loan Documents after 5:00pm Toronto time on the 5th Business Day after



the date notice of such Benchmark Replacement is provided to BMO without any further action or consent of any party, provided BMO may make Conforming Changes as required.

BMO may issue simple notice of any Benchmark Replacement to the Borrower, however any Benchmark Replacement made under this Section will not be affected, conditional or prejudiced in any way if BMO does not provide any such notice.

Each outstanding loan based directly or indirectly on a Benchmark that is being replaced under this section ("**Existing Loan**") will automatically convert to a loan under the new adjusted Benchmark ("**Updated Loan**") upon the later to occur of (a) the maturity of the applicable interest period of the Existing Loan, and (b) the effective date of the Benchmark Replacement. The Updated Loan will be in the principal amount of all outstanding debt, interest, fees and other amounts of the Existing Loan on the conversion date and bear interest at a rate per annum based on the new Benchmark and taking into account any Applicable Margin, Conforming Changes, fees and other amounts. If, for any reason, an Existing Loan cannot be so converted, it will be deemed to have converted to a Prime Rate or Base Rate, as applicable, loan in the principal amount of all outstanding debt, interest, fees and other amounts of the Existing Loan on the conversion date.

3. **Conforming Changes:** Without limiting BMO's ability to make Conforming Changes under Section 2, BMO may make Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement from time to time and, notwithstanding anything to the contrary herein or in any other Documentation, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Letter of Agreement or any other Documentation.
4. **Notices:** BMO will notify the Borrower of any Benchmark Replacement and the effectiveness of any Conforming Changes. Any determination, decision or election by BMO and associated notice(s) will be conclusive and binding absent manifest error and will be made in BMO's sole discretion without the need for any consent or approval from any person.
5. **Compensation for Loss:** If any loan based on Term CORRA or Term SOFR is repaid, converted, rolled over or assigned before the last day of the applicable interest period, the Borrower will immediately on demand compensate BMO for any loss, cost and expense attributable to such event, including costs of re-deploying capital, break-fees and other related amounts.
6. **Bankers' Acceptances ("BAs").** No new advance or loan will be requested or made that is a BA or derived from a BA. Any outstanding obligations consisting of BAs or derived from BAs will, concurrently with their maturity, automatically convert to a Prime Rate loan under the same Facility.



SCHEDULE E

DEFINITIONS

"Advance" or **"Loans"** means an advance, continuation, or conversion (where applicable) of any loan or credit extended under this Agreement, as amended, restated, or renewed from time to time.

"Approvals" means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

"CORRA" Means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"Credit Parties" means, collectively, the Borrower(s) and the Guarantor(s).

"Default" means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations, or other provisions thereunder) under the applicable documentation (including the Documentation).

"Documentation" means, collectively, this Agreement (as amended, restated, or renewed from time to time), the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

"including" means including but without limitation.

"Laws" means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders, and decrees applicable to a Credit Party, its business, or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

"Litigation" means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding, or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

"Material Contracts" means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced, or otherwise modified from time to time to the extent permitted under the Documentation.

"Material Adverse Effect" means a material adverse effect on (i) the business, assets, results of operations, prospects, or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its



obligations under the Documentation, or (iii) the legality, validity, binding nature, or enforceability of the rights, remedies, or recourses of BMO under any of the Documentation.

"Obligations" means all debts, liabilities and obligations owed to Bank of Montreal, BMO Bank N.A. and Bank of Montreal's other affiliates and their successors under or in connection with the Facilities, this Letter of Agreement (as amended, restated or renewed from time to time) or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges) and includes any indemnity obligations owed by Bank of Montreal to any of its affiliates in relation to the Facilities.

"Prime Rate" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

"Taxes" means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income, or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions, and related liabilities).

"Term CORRA Administrator" Means Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

"Term CORRA" Means the forward-looking term rate based on CORRA ("**Term CORRA Reference Rate**") for a period comparable to the applicable interest period of 1 or 3 months on the day (such day, the "**Periodic Term CORRA Determination Day**") that is 2 Business Days prior to the first day of such interest period, as such rate is published by the Term CORRA Administrator; provided 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 period has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such period as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such period was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than 3 Business Days prior to such Periodic Term CORRA Determination Day.

"Term SOFR" Means, for an interest period of 1, 3 or 6 months, the rate per annum determined by BMO as the forward-looking term rate based on the secured overnight financing rate administered by the US Federal Reserve Bank of New York (or a successor administrator selected by BMO) that is 2 U.S. Government Securities Business Days before the start of the chosen interest period (or, if such rate is not ascertainable on such date, the immediately preceding U.S. Government Securities Business Day). Each determination of Term SOFR by BMO shall be conclusive and binding absent manifest error.

"US Base Rate" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.



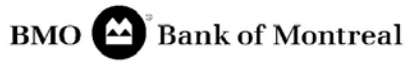
This is Exhibit "C" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici



Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (together with BMO Harris Bank N.A. and Bank of Montreal's other affiliates and their respective successors who are owed any present or future debts, liabilities or obligations by the Customer, collectively, the "Bank") dealing with **11977636 CANADA INC.** (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. Notwithstanding anything else to the contrary and to the extent legally permitted, this guarantee is granted to and held by the Bank as agent for itself, BMO Harris Bank N.A. and the Bank's other affiliates and their respective successors who are owed any present or future debts, liabilities and obligations by the Customer, it being agreed by the undersigned that all such present and future debts, liabilities and obligations owed to Bank of Montreal and any of its affiliates are guaranteed by this agreement (subject only to any limitation in the immediately following sentence). The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of Two Million Sixty Thousand and 00/100 Dollars \$2,060,000.00 plus interest thereon at a rate of 5.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before

such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

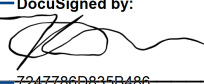
THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned and, for the avoidance of doubt, references to the Bank and obligations owed to the Bank by the Customer shall be interpreted as referring to Bank of Montreal, BMO Harris Bank N.A. and Bank of Montreal's other affiliates and their successors and obligations owing to any of them by the Customer.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.


This clause applies to the Province of Québec only

Dated this ___14th_____ day of December, 2023.

DocuSigned by: 

7247786D835B486...

Name: **Taibah Chaudhary**

DocuSigned by: 

09F1E6FC2FC14BC...

Witness: _____
Name: **Muhammad Kashif Sarwar**

® Registered trade-marks of Bank of Montreal

This is Exhibit "D" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici

7CE576E4AA3D4CA...

A Commissioner, etc.
Matilda Lici

Properties

PIN 43063 - 0097 LT Interest/Estate Fee Simple
 Description PT LT 18 CON 3 SER WARWICK PT 1, 25R5230; WARWICK
 Address 5641 NAUVOO RD
 WATFORD

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 11977636 CANADA INC.
 Address for Service 18 Blossom Lane
 Hamilton, Ontario L9C 2W6

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 BANK OF MONTREAL
 Address for Service First Canadian Place
 100 King Street West
 Toronto, Ontario M5X 1A3

Statements

The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal \$1,325,000.00 Currency CDN
 Calculation Period Monthly, Not in Advance
 Balance Due Date On Demand
 Interest Rate Bank of Montreal's Prime Rate + 5% per annum
 Payments
 Interest Adjustment Date
 Payment Date On Demand
 First Payment Date
 Last Payment Date
 Standard Charge Terms 201607
 Insurance Amount Full insurable value
 Guarantor

Signed By

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto Chargor(s)
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

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

Submitted By

SCHWARZ LAW PARTNERS LLP 1984 Yonge St 2023 12 22
 Toronto
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

Fees/Taxes/Payment

Statutory Registration Fee \$69.95
 Total Paid \$69.95

File Number

Chargee Client File Number : 8778 11977636 CAN - BMO - 5641 NAUVOO RD

This is Exhibit "E" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:

Matilda Lici

7CE576F4AA3D4GA...

A Commissioner, etc.

Matilda Lici

Properties

PIN 43063 - 0097 LT
Description PT LT 18 CON 3 SER WARWICK PT 1, 25R5230; WARWICK
Address 5641 NAUVOO RD
 WATFORD

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 11977636 CANADA INC.
Address for Service 18 Blossom Lane
 Hamilton, Ontario L9C 2W6

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 BANK OF MONTREAL
Address for Service First Canadian Place
 100 King Street West
 Toronto, Ontario M5X 1A3

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, LA306412 registered on 2023/12/22 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto Applicant(s)
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

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

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto Party To(s)
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

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

Submitted By

SCHWARZ LAW PARTNERS LLP 1984 Yonge St 2023 12 22
 Toronto
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

Fees/Taxes/Payment

Statutory Registration Fee \$69.95

Total Paid \$69.95

File Number

Party To Client File Number : 8778 - 11977636 CAN - BMO - 5641 NAUVOO

This is Exhibit "F" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici
7CF576F4AA3D4CA

A Commissioner, etc.
Matilda Lici

Properties

PIN 17292 - 0058 LT *Interest/Estate* Fee Simple
Description PART LOT 32 CONCESSION BROKEN FRONT SALT FLEET, PART 2 62R21646; CITY OF HAMILTON
Address 652 PARKDALE AVENUE NORTH
 HAMILTON

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 11977636 CANADA INC.
Address for Service 18 Blossom Lane
 Hamilton, Ontario L9C 2W6

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 BANK OF MONTREAL
Address for Service First Canadian Place
 100 King Street West
 Toronto, Ontario M5X 1A3

Statements

The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal \$1,600,000.00 *Currency* CDN
Calculation Period Monthly, Not in Advance
Balance Due Date On Demand
Interest Rate Bank of Montreal's Prime Rate + 5% per annum
Payments
Interest Adjustment Date
Payment Date On Demand
First Payment Date
Last Payment Date
Standard Charge Terms 201607
Insurance Amount Full insurable value
Guarantor

Signed By

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto
 M4S1Z7
 Chargor(s)

Tel 416-486-2040
 Fax 416-486-3325

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

Submitted By

SCHWARZ LAW PARTNERS LLP 1984 Yonge St 2023 12 22
 Toronto
 M4S1Z7

Tel 416-486-2040
 Fax 416-486-3325

Fees/Taxes/Payment

Statutory Registration Fee \$69.95

Fees/Taxes/Payment

Total Paid \$69.95

File Number

Chargee Client File Number : 8778 - 11977636 CAN - BMO - 652 PARDALE

This is Exhibit "G" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA

A Commissioner, etc.
Matilda Lici

Properties

PIN 17292 - 0058 LT
Description PART LOT 32 CONCESSION BROKEN FRONT SALTFLEET, PART 2 62R21646; CITY OF HAMILTON
Address 652 PARKDALE AVENUE NORTH
 HAMILTON

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 11977636 CANADA INC.
Address for Service 18 Blossom Lane
 Hamilton, Ontario L9C 2W6

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 BANK OF MONTREAL
Address for Service First Canadian Place
 100 King Street West
 Toronto, Ontario M5X 1A3

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, WE1716520 registered on 2023/12/22 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto Applicant(s)
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

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

Bryan Gregory Chin 1984 Yonge St acting for Signed 2023 12 22
 Toronto Party To(s)
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

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

Submitted By

SCHWARZ LAW PARTNERS LLP 1984 Yonge St 2023 12 22
 Toronto
 M4S1Z7

Tel 416-486-2040

Fax 416-486-3325

Fees/Taxes/Payment

Statutory Registration Fee \$69.95

Total Paid \$69.95

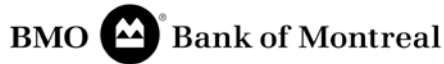
File Number

Party To Client File Number : 8778 - BMO - 11977636 CAD - 652 PARDALE

This is Exhibit "H" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici
7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici



SECURITY AGREEMENT

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (together with BMO Harris Bank N.A. and Bank of Montreal's other affiliates and their respective successors who are owed any present or future debts, liabilities or obligations by the Debtor, collectively hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank, BMO Harris Bank N.A. and the Bank's other affiliates and their respective successors (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

List all premises and asset locations, by schedule, if necessary

5641 NAUVOO ROAD and 652 PARKDALE AVENUE NORTH and
WATFORD, ONTARIO N0M 2S0 HAMILTON, ONTARIO L8H 524

18 BLOSSOM LANE
HAMILTON, ONTARIO L9C 2W6

Attach a schedule, if equipment is to be listed

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, contract files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and

DS  TC

(e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

DS
 TC

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;
- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business;
- (f) should any statement, certificate, representation or warranty made by the Debtor to the Bank prove to be, at the time it was made or deemed made, either incorrect, incomplete or inaccurate, whether or not contained in this Security Agreement;
- (g) should any event occur or fail to occur which, either singly or in the aggregate, would reasonably be expected to have a material adverse effect (i) on the business, assets, results of operations, prospects or condition (financial or otherwise) of the Debtor, (ii) on the ability of the Debtor to discharge any of its Obligations, or (iii) on the validity or enforceability of the rights, remedies or recourses of the Bank under this Security Agreement or any other documentation relating to the Obligations.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation, perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid. Notwithstanding anything else to the contrary and to the extent legally permitted, the security interests granted by this Security Agreement shall be given to and held by the Bank as agent for itself, BMO Harris Bank N.A. and the Bank's other affiliates and their respective successors as continuing *pari passu* collateral security for all present and future debts, liabilities and obligations owed by the Debtor to any of them.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

A blue rectangular stamp with the letters "DS" in the top left corner. To the right of the stamp is a handwritten signature in blue ink, and further to the right are the initials "TC" also in blue ink.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

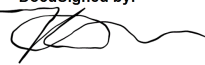
IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date
of execution

____ 14th _____ day of December, 2023.(year)

To be signed by
Debtor, if Debtor is a
corporation ensure
signatures are
authorized and if
Debtor is a
corporation with a
corporate seal, affix
Corporate Seal;
Debtor's name
should be typed.

11977636 CANADA INC.

DocuSigned by:


By: _____
Name: Taibah Chaudhary
Title: Authorized Signatory

I have authority to bind the Corporation.

CORPORATE AUTHORIZING RESOLUTION

Required
only for a
corporation

“WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and its affiliates and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal and its affiliates, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement.”

A blue ink signature is written inside a blue rectangular box. Above the signature, the letters "DS" are printed. To the right of the signature, the initials "TC" are handwritten.

CERTIFICATE

To be completed by Secretary or other authorized officer; insert name of corporation. Insert appropriate date


I am the President and Director of 11977636 CANADA INC. and I hereby certify that:

- 1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the ___14th_____ day of December, 2023;(year)
- 2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and
- 3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

Use applicable clause

(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*).

To be signed by Secretary or other authorized officer; affix corporate seal

DocuSigned by: 

By: _____
Name: Taibah Chaudhary
Title: President



® Registered trade-marks of Bank of Montreal

This is Exhibit "I" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici
7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici

ACKNOWLEDGEMENT RE: STANDARD CHARGE TERMS

TO: BMO BANK OF MONTREAL

RE: 11977636 Canada Inc. first collateral charge over the security of 5641 Nauvoo Road, Watford, Ontario N0M 2S0, first collateral charge over the security of 652 Parkdale Avenue North, Hamilton, Ontario L8H 5Z4 and operating demand loan

Between: 11977636 CANADA INC. and BMO BANK OF MONTREAL (herein “the Parties”)

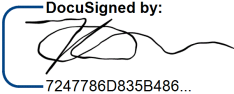
Guarantor: Taibah Chaudhary

Our File: 8778


The mortgagor and guarantor hereby acknowledge having received the duly completed copies of these Mortgages, together with all schedules and Standard Charge Terms filed as number 201607.

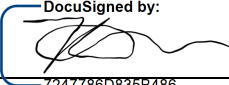
DATED at Remotely, this 14th day of December, 2023.

11977636 CANADA INC.

Per: 
Name: Taibah Chaudhary
Title: Director

I have authority to bind the Corporation.


Witness (Signature)


Taibah Chaudhary (Guarantor)

Muhammad Kashif Sarwar
Witness Name (Please Print)

BANK OF MONTREAL
ONTARIO
STANDARD CHARGE TERMS
ALL INDEBTEDNESS MORTGAGE
(COMMERCIAL/FARM)

Filing Number: 201607

The following set of standard charge terms (together with the schedule attached hereto, the “**Standard Charge Terms**”) shall be deemed to be included in each mortgage or charge in which it is referred to by its filing number as provided in section 9 of the *Land Registration Reform Act*, R.S.O. 1990, except to the extent that the provisions of the Standard Charge Terms are excluded or varied by such mortgage or charge.

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B. DEFINITIONS

In this set of Standard Charge Terms and in each Mortgage, the following terms shall have the following meanings:

1. **“Applicable Rate”** means:
 - (a) the applicable interest rate specified by the applicable note or agreement delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee; or
 - (b) if the interest rate referred to in subsection (a) is not so specified, the applicable interest rate specified by the Mortgage.
2. **“Controlling Entity”** means any corporation or other entity which on the date of the Mortgage beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Mortgagor or a Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor.
3. **“Default”** means a default referred to in section I.
4. **“Guarantor”** means a person who guaranteed payment of all or any Indebtedness.
5. **“Indebtedness”** means all present and future indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee whether direct or indirect, absolute or contingent, or revolving or non-revolving, whether incurred by the Mortgagor alone or together with any other debtor or debtors and whether incurred pursuant to the provisions of the Mortgage or otherwise including all principal, interest, guarantee liabilities, letter of credit indemnity liabilities, bankers’ acceptance indemnity liabilities, fees and expenses now or hereafter owing by the Mortgagor to the Mortgagee.
6. **“Insolvency Proceeding”** means a proceeding commenced under the *Companies’ Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act* or any other similar statute.
7. **“Lease”** means a lease, offer to lease or other similar agreement of or with respect to the Mortgaged Land in favour of, or held by the Mortgagor as tenant and referred to in the Mortgage, as such lease, offer to lease or other similar agreement is amended or replaced from time to time.
8. **“Mortgage”** means the applicable registered mortgage or charge (as amended from time to time) in which this set of Standard Charge Terms is incorporated by reference to its filing number (including all Schedules thereto), includes any such mortgage or charge registered electronically or otherwise and includes such mortgage or charge whether or not any provision of the Standard Charge Terms is excluded or varied.
9. **“Mortgaged Land”** means the real property described in the Mortgage, all appurtenances thereto and all estates and interests therein, and includes all buildings, plant, machinery, crops, erections and improvements, fixed or otherwise, present or future, built, grown, placed or put thereon including all fences, heating equipment, plumbing equipment, antennae, radiators, mirrors, air-conditioning equipment, ventilating equipment, fire alarm and protective systems, lighting and lighting fixtures, hay racks, barn fixtures, milking machine equipment, water tanks, pumps and windmills, water bowls and pipes, feed boxes, litter carriers and tracks, mobile homes affixed to the real property, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows, storm doors, window screens, door screens, shutters and awnings, all apparatus and equipment appurtenant thereto, and all other fixtures and accessions of any kind or nature.
10. **“Mortgagee”** means the mortgagee or chargee referred to in the Mortgage and its successors and assigns.



11. **“Mortgagee’s Prime Rate”** means the fluctuating annual rate of interest determined by Bank of Montreal from time to time as the reference rate it will use to determine rates of interest payable by borrowers from Bank of Montreal of Canadian dollar loans made in Canada and designated by Bank of Montreal as its prime rate.
12. **“Mortgagor”** means the person or persons identified as the mortgagor or chargor in the Mortgage and his, her, its or their respective heirs, executors, administrators, personal representatives, successors and assigns.
13. **“Other Encumbrances”** means all statutory liens, construction liens, mechanics’ liens, builders’ liens, other liens, executions, mortgages, charges, and other encumbrances which charge or otherwise affect or could affect the Mortgaged Land but excludes the Mortgage.
14. **“Permitted Prior Mortgage”** means a mortgage or charge of the Mortgaged Land which ranks in priority to the Mortgage and which the Mortgagee has approved in writing.
15. **“Receiver”** means a receiver, receiver and manager or other similar person.
16. **“Schedule”** means a schedule to the Mortgage.
17. **“Taxes”** means all taxes, rates and assessments, municipal, provincial, federal or otherwise, with respect to the Mortgaged Land.

C. OPERATION OF THE MORTGAGE

1. *Charge of Mortgaged Land.* In consideration of other valuable consideration and a loan advance made or other credit extended by the Mortgagee to the Mortgagor (the receipt and sufficiency of which are acknowledged by the Mortgagor), the Mortgagor hereby mortgages and charges the Mortgaged Land to and in favour of the Mortgagee as security for payment to the Mortgagee of all Indebtedness and as security for the observance and performance by the Mortgagor of all other obligations of the Mortgagor pursuant to or in respect of the Mortgage or the Standard Charge Terms. Subject to the provisions of the Mortgage, the Mortgagor releases to the Mortgagee, all the Mortgagor’s claims upon the Mortgaged Land.
2. *Repayment of Principal on Demand.* The Mortgagor shall pay all Indebtedness to the Mortgagee on demand by the Mortgagee for payment.
3. *Restriction on Voluntary Prepayments.* The Mortgagor shall not be entitled to prepay voluntarily any principal amount (including any principal amount owing with respect to a revolving line of credit or a demand loan) except to the extent agreed to by the Mortgagee in writing.
4. *Calculation and Payment of Interest.* The Mortgagor shall pay to the Mortgagee when due interest payable by the Mortgagor on each part of the Indebtedness (including interest on overdue interest) at the Applicable Rate which applies to such part of the Indebtedness. Interest shall accrue on each part of the Indebtedness from the date such part is incurred to the date such part is paid to the Mortgagee in full. Interest shall, both before and after Default, be calculated and payable monthly not in advance on the first day of each month unless otherwise agreed by the Mortgagor and the Mortgagee in writing. Whenever there is more than one Applicable Rate, the Applicable Rate referred to in sections D, E, G, J and K shall, unless otherwise agreed by the Mortgagee in writing, be the higher or highest of such Applicable Rates.



5. *Continuing Security.* The Mortgage shall be continuing security in favour of the Mortgagee for the payment of all Indebtedness, notwithstanding at any time and from time to time there is:

- (a) any change in the nature, state or form of any account between the Mortgagor and the Mortgagee;
- (b) any new advance by the Mortgagee to the Mortgagor, whether by way of loan, discount, the drawing of a cheque against an account of the Mortgagor or otherwise;
- (c) any discount or acceptance by the Mortgagee from or for the Mortgagor of any note, bill of exchange or other negotiable instrument or commercial paper;
- (d) any credit of any amount to any account of the Mortgagor by reason of deposit of moneys or otherwise; or
- (e) any renewal, replacement, substitution or alteration of any note, bill of exchange or other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any reduction, satisfaction, payment, release or discharge thereof or of any other security therefor.

Nothing herein shall prejudice any of the Mortgagee's rights pursuant to or in respect of any note, bill of exchange, other agreement or other security now or hereafter held by the Mortgagee.

6. *Divided Parts of Mortgaged Land.* Every part of the Mortgaged Land into which the Mortgaged Land may hereafter be divided by a plan of subdivision or otherwise shall continue to be charged with payment of all Indebtedness but the Mortgagee may discharge any part or parts of the Mortgaged Land with or without sufficient consideration and without releasing the Mortgagor from the Mortgage and no person shall have any right to require the Indebtedness to be apportioned between or among such parts.

7. *Application of Amounts Paid.* Any and all amounts received by the Mortgagee with respect to Indebtedness before a Default shall, unless otherwise specified by the Mortgagee in writing, be applied firstly to reduce compound interest, secondly to reduce interest (other than compound interest), thirdly to reduce principal and fourthly to reduce any other Indebtedness. Any and all amounts received by the Mortgagee after a Default (including any and all amounts received from any security held by the Mortgagee) shall be applied by the Mortgagee in the manner determined by the Mortgagee in its sole discretion.

8. *Discharge of Mortgage.* If the Mortgagor shall duly pay to the Mortgagee all Indebtedness and the Mortgagee is not then obligated to extend any credit to the Mortgagor, the Mortgagor may request from the Mortgagee a discharge of the Mortgage and, upon delivery by the Mortgagee to the Mortgagor of a discharge of the Mortgage, the Mortgage shall terminate and cease to operate; provided that the Mortgage shall not terminate or cease to operate while any Indebtedness remains unpaid or while the Mortgagee is obligated to extend any credit to the Mortgagor only because, at any prior time or times, all Indebtedness had been paid in full. The Mortgagee shall not be obligated to deliver any partial discharge of the Mortgage.

9. *Consolidation of Mortgages.* To the extent permitted by law, the doctrine of consolidation shall apply with respect to *inter alia* the Mortgage.

D. COVENANTS, REPRESENTATIONS AND WARRANTIES OF MORTGAGOR

1. *Payment of Principal and Interest.* The Mortgagor shall pay to the Mortgagee when due all Indebtedness without deduction or set-off of any kind. The Mortgagor expressly agrees not to fail to pay any Indebtedness when due and not to reduce the amount of any due payment of any Indebtedness as a result, or in respect of any existing or future claim by the Mortgagor against the Mortgagee or against any other person whether such claim relates to any or all Indebtedness, the Mortgage, any other agreement between the Mortgagor and the Mortgagee, any other transaction or any other agreement or matter whatsoever.

2. *Observance and Performance of Other Obligations.* The Mortgagor shall duly and punctually observe and perform all the Mortgagor's existing and future obligations pursuant to

the Mortgage and all the Mortgagor's existing and future obligations pursuant to any and all other existing and future agreements delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee.

3. *Payment of Taxes.* The Mortgagor shall promptly pay all Taxes as they become due and, within one month after the date fixed for the payment of the last installment of Taxes in each year, shall deliver to the Mortgagee a receipted tax bill showing payment in full of all such Taxes payable during such year. If the Mortgagor fails to pay any Taxes as they become due, the Mortgagee may, at its option, pay the whole or any part of such Taxes. The amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

4. *Good Title and Free From Encumbrances.* The Mortgagor represents and warrants to the Mortgagee that the Mortgagor is the legal and beneficial owner of, and has good, absolute and indefeasible title and estate in fee simple to the Mortgaged Land (or the leasehold interest therein if section E applies), free of any Other Encumbrances except any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears, public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land or other encumbrances consented to by the Mortgagee in writing, and free of any reservations, limitations, provisos or conditions whatsoever except those contained in the original grant thereof, if any, from the Crown; the Mortgagor has good right, full power and lawful and absolute authority to mortgage and charge the Mortgaged Land (or, if section E applies, its leasehold interest therein) to the Mortgagee in accordance with the provisions of the Mortgage.

5. *Insurance.* The Mortgagor shall maintain, in form, substance and amount and with insurers satisfactory to the Mortgagee, all insurance required by the Mortgagee from time to time with respect to the Mortgaged Land (including boiler, property, public liability, rental, environmental and business interruption insurance and insurance covering all crops grown on the Mortgaged Land insuring such crops against damage by hail and against perils covered by all-risk crop insurance). The Mortgagor shall deliver to the Mortgagee, from time to time at the Mortgagee's request, certificates of insurance and certified copies of such insurance policies showing all loss payable to the Mortgagee as first mortgagee (subject to the interests of the holder of any Permitted Prior Mortgage) and loss payee and containing a mortgage clause satisfactory to the Mortgagee. As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns to the Mortgagee all the Mortgagor's present and future interests in and to all such present and future insurance policies and all proceeds therefrom. The Mortgagor shall not repair any damage using proceeds of any insurance without the Mortgagee's prior written consent and the Mortgagee may, at its discretion, apply any and all insurance proceeds to reduce Indebtedness. If the Mortgagor fails to maintain insurance required by the Mortgagee, the Mortgagee may arrange insurance with respect to the Mortgaged Land, the Mortgagor shall pay to the Mortgagee, on demand by the Mortgagee, all amounts paid by the Mortgagee to effect such insurance and the Mortgagor shall pay interest thereon at the Applicable Rate; and all such amounts owing by the Mortgagor shall be part of the Indebtedness and secured by the Mortgage. The Mortgagor shall, forthwith on the occurrence of any loss or damage, furnish at the Mortgagor's own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies. Any insurance monies received may, at the option of the Mortgagee, to the extent permitted by law, be applied to rebuild or repair the premises on the Mortgaged Land or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the Mortgaged Land, or be applied to pay Indebtedness whether or not then due, despite any law, equity or statute to the contrary. The Mortgagor, to the extent permitted by law, hereby waives any statutory or other right it may have to require any insurance proceeds to be applied in any particular manner.

6. *Payment of Other Encumbrances.* The Mortgagor shall promptly pay when due all amounts now or hereafter owing pursuant to or with respect to any Other Encumbrances and shall deliver to the Mortgagee, at the Mortgagee's request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any Other Encumbrances when due, the Mortgagee may, at its option, pay the whole or any part of any present or future Other Encumbrances. The amounts so paid shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. In the event the Mortgagee pays any Other Encumbrance, it shall be entitled to all the equities, rights and securities of the person or persons so paid and to obtain an assignment of

such Other Encumbrance so paid and of any right to payment and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit to do so.

7. *Payment of Expenses.* The Mortgagor shall, on demand by the Mortgagee, pay all costs, charges, expenses (including legal fees as between a solicitor and his or her own client), commissions and fees which may be incurred by the Mortgagee in negotiating any credit or credits secured by the Mortgage, investigating the title to the Mortgaged Land, preparing and registering the Mortgage and other documents, administering any credit or credits extended by the Mortgagee to the Mortgagor, inspecting the Mortgaged Land, collecting any Indebtedness, taking any proceeding in connection with or to collect any Indebtedness, taking and maintaining possession of the Mortgaged Land, maintaining and repairing the Mortgaged Land, and taking any other enforcement proceedings. The Mortgagor shall deliver to the Mortgagee, at the Mortgagee's request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any such amounts as they become due, the Mortgagee may, at its option, pay any such amounts and the amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

8. *Compliance with Laws.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, the Mortgagor has complied with, and the Mortgagor agrees that it shall comply with all laws, by-laws and regulations affecting the Mortgaged Land and all orders and decisions of any governmental authority, governmental agency or court having jurisdiction affecting the Mortgaged Land (including all such laws, by-laws, regulations, orders and decisions relating to the environment or to residential or other property, including those relating to the amount of rent charged by the Mortgagor with respect to any part of the Mortgaged Land). The Mortgagor shall, at the Mortgagor's expense, promptly and in good and workmanlike manner make all improvements, alterations, clean-ups and repairs and effect any change in use that may be required from time to time to so comply.

9. *Maintain in Good Repair and Avoid Waste.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, all buildings, erections, equipment, machinery and improvements on the Mortgaged Land are in good condition and repair and that all noxious weeds have been eradicated from the Mortgaged Land. The Mortgagor shall maintain all buildings, erections, equipment, machinery and improvements on the Mortgaged Land in good condition and repair to the satisfaction of the Mortgagee, shall eradicate all noxious weeds from the Mortgaged Land and shall not permit waste to be committed or suffered on the Mortgaged Land or any part thereof. The Mortgagee or its agent shall be entitled, from time to time, to enter on the Mortgaged Land to inspect the Mortgaged Land and to undertake any tests (including intrusive environmental tests) required by the Mortgagee. If the Mortgagor neglects to keep the Mortgaged Land or any buildings, erections, equipment, machinery or improvements on the Mortgaged Land in good condition and repair, fails to eradicate noxious weeds from the Mortgaged Land or commits or permits any act of waste on the Mortgaged Land (as to which the Mortgagee shall be the sole judge), or fails to comply with section D.8., the Mortgagee or its agent may enter upon the Mortgaged Land and make such repairs and undertake such work and take such action as the Mortgagee deems necessary. All costs of such inspection, testing, repairs, work and action shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

10. *Environmental Representation and Indemnity.* The Mortgagor represents and warrants to the Mortgagee that there has not occurred, after the date the Mortgagor acquired an interest in the Mortgaged Land, any spill, leak, contamination or other material environmental problem affecting the Mortgaged Land or any part thereof (other than any such spill, leak, contamination or other environmental problem which has been remedied). The Mortgagor shall indemnify and save harmless the Mortgagee and any Receiver of the Mortgaged Land from any and all expenses and damages incurred or suffered by the Mortgagee or such Receiver as a result, or in respect of any spill, leak, contamination or other environmental problem affecting the Mortgaged Land or any part thereof. This indemnity shall survive the payment of all Indebtedness and the satisfaction, discharge or enforcement of the Mortgage or any other security.

11. *No Alterations or Change in Use.* The Mortgagor shall not, without the prior written consent of the Mortgagee, make, or permit to be made, any alterations or additions to the Mortgaged Land or any building thereon or change the Mortgagor's use of the Mortgaged Land

or any building thereon and the Mortgagor shall not allow the Mortgaged Land to be unoccupied or unused.

12. *No Unapproved Charge or Encumbrance by Mortgagor.* The Mortgagor shall not, without the Mortgagee's prior written consent, mortgage, charge, lien or encumber the Mortgaged Land or any part thereof or any interest therein or permit any Other Encumbrance to remain thereon except for any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears and public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land.

13. *Change in Ownership or Spousal Status.* Upon any change or event affecting any of the following, namely:

- (a) the spousal status of the Mortgagor, if the Mortgagor is an individual;
- (b) the qualification of the Mortgaged Land as a matrimonial home; or
- (c) the ownership of the Mortgaged Land,

the Mortgagor shall forthwith advise the Mortgagee accordingly in writing and furnish the Mortgagee with full particulars thereof, the intention being that the Mortgagee shall be kept fully informed of the names and addresses of the owner or owners of the Mortgaged Land and of any spouse who is not an owner but who may have a legal right of possession of or interest in the Mortgaged Land. The Mortgagor shall furnish the Mortgagee with such evidence in connection with any of subsections (a), (b) and (c) of this provision as the Mortgagee may from time to time request.

14. *Expropriation.* If the Mortgaged Land or any part thereof is condemned or expropriated to an extent which, in the Mortgagee's sole discretion, materially affects the Mortgagee's security, all Indebtedness shall, at the option of the Mortgagee, be deemed to have become due and payable on the day before such condemnation or expropriation, and interest shall continue to accrue thereon, at the Applicable Rate, until the Mortgagee has been paid all Indebtedness. The Mortgagor shall pay to the Mortgagee from any condemnation or expropriation proceeds the full amount thereof, to be applied by the Mortgagee to reduce Indebtedness.

15. *Power of Attorney.* The Mortgagor hereby irrevocably appoints the Mortgagee or any Receiver appointed by the Mortgagee under or pursuant to the Mortgage or by any order of a court of competent jurisdiction, as the Mortgagor's attorney for all purposes to take any and all action deemed appropriate by the Mortgagee or such Receiver after the occurrence of a Default.

16. *Further Assurances.* The Mortgagor shall (and shall cause each person having or claiming to have an estate, right, title or interest in or to the Mortgaged Land to) at any time and from time to time, at the Mortgagee's request, do, execute and deliver or cause to be made, executed and delivered to the Mortgagee such further and other reasonable acts, deeds, conveyances, charges and assurances as may be required by the Mortgagee to fully and effectually carry out the intention and meaning of the Mortgage and the provisions included in the Mortgage and the reasonable cost of such further assurances shall be part of the Indebtedness and secured by the Mortgage.

17. *Business Purposes Only.* The Mortgagor shall use only for business purposes any amounts loaned by the Mortgagee to the Mortgagor and secured by the Mortgage.

18. *No Registration of Condominiums or Strata Title Developments.* The Mortgagor shall not, without the Mortgagee's prior written consent, register any condominium or strata title development with respect to all or part of the Mortgaged Land or any declaration or description with respect thereto and the Mortgagee shall not have any obligation to provide such consent.

19. *Delivery of Information.* The Mortgagor shall deliver to the Mortgagee, promptly at the Mortgagee's request, all financial statements and other information as the Mortgagee may request from time to time with respect to the Mortgagor, a Guarantor or the Mortgaged Land.

20. *No Litigation or Other Proceedings.* The Mortgagor represents and warrants that, as at the date of the Mortgage, there is no application, litigation, proceeding or investigation outstanding or, to the Mortgagor's knowledge, pending or threatened, against the Mortgagor or any Guarantor or with respect to the Mortgaged Land or any part thereof including any application,

litigation, proceeding or investigation in respect of residential or other property by-laws or regulations. The Mortgagor shall notify the Mortgagee in writing of any such application, litigation, proceeding or investigation commenced after the date of the Mortgage, promptly after such commencement.

21. *Mortgagor a Canadian Resident.* The Mortgagor represents and warrants that, as at the date of the Mortgage, it is not a non-resident of Canada for purposes of the Income Tax Act and agrees that the Mortgagor shall not, without the Mortgagee's prior written consent, become a non-resident of Canada.

22. *Good Management of Mortgaged Land.* The Mortgagor shall at all times cause the Mortgaged Land to be managed in a commercially reasonable manner by the Mortgagor or by a property manager satisfactory to the Mortgagee, acting reasonably.

23. *Abutting Real Property.* The Mortgagor shall not, without the Mortgagee's prior written consent, acquire any real property which abuts the Mortgaged Land. If the Mortgagee gives such consent, the Mortgagor shall, at the Mortgagee's request, deliver to the Mortgagee a mortgage or charge of such abutting real property and of the Mortgaged Land in form and substance satisfactory to the Mortgagee.

24. *Deemed Covenants Excluded.* In accordance with subsection 7(3) of the *Land Registration Reform Act*, the covenants deemed to be included in a mortgage or charge by subsection 7(1) of such statute are expressly excluded from the Mortgage.

25. *Defeasance Provisions Excluded.* The provisions relating to defeasance in subsection 6(2) of the *Land Registration Reform Act* are expressly excluded from the Mortgage.

E. MORTGAGE OF LEASEHOLD INTEREST

If the Mortgagor is not the owner of the Mortgaged Land in fee simple but is the owner of a leasehold interest in the Mortgaged Land as tenant, or as an assignee or successor of a tenant, pursuant to a Lease, the following provisions shall apply:

1. *Representations and Warranties.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage:

- (a) the Lease is a good, valid and subsisting lease and has not been surrendered, forfeited or terminated or, except as specified in the Mortgage, amended, and the rents, covenants and provisions therein reserved and contained have been duly paid, performed and observed by the Mortgagor up to the date of the Mortgage; and
- (b) the Mortgagor has good right and full, lawful and absolute authority to charge, mortgage, demise and sublet the Mortgaged Land in accordance with the Mortgage and any consent thereto required of the applicable landlord has been obtained.

2. *Covenants Relating to Lease.* The Mortgagor agrees with the Mortgagee as follows:

- (a) The Mortgagor shall at all times fully perform and comply with all the obligations of the Mortgagor under or with respect to the Lease, or imposed on, assumed by or agreed to by the Mortgagor pursuant to any Other Encumbrances and, if the Mortgagor fails to do so, the Mortgagee may (but shall not be obliged to) take any action the Mortgagee deems necessary or desirable to prevent or to cure any default by the Mortgagor in the performance of or compliance with any such obligations. The Mortgagor shall promptly provide to the Mortgagee a copy of any notice the Mortgagor receives from the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person under or relating to the Lease of the Mortgaged Land. Upon receipt by the Mortgagee from the Mortgagor, the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person of any notice, including a notice of default, the Mortgagee may rely thereon and take any action with respect to such notice as may be required in the Mortgagee's sole discretion, including to cure a default even though the existence

of such default or the nature thereof may be questioned or denied by or on behalf of the Mortgagor and the Mortgagee shall have the absolute and immediate right to enter in and upon the Mortgaged Land or any part thereof to such extent and as often as the Mortgagee, in its sole discretion deems necessary or desirable, in order to prevent or to cure any such default. The Mortgagee may pay and expend such amounts as the Mortgagee in its sole discretion deems necessary for any such purpose, and the amounts so paid shall be payable by the Mortgagor to the Mortgagee on demand by the Mortgagee with interest thereon at the Applicable Rate, and shall be a part of the Indebtedness and be secured by the Mortgage.

- (b) If the Mortgage is outstanding at the expiration of the term of the Lease and the Mortgagor refuses or neglects to exercise the Mortgagor's right, if any, to renew or extend the term of the Lease or refuses to pay any fees, costs, charges or expenses payable upon any such renewal or extension, the Mortgagee may effect such renewal or extension in the name of the Mortgagor or otherwise, and every such renewed or extended Lease shall remain and be mortgaged and charged pursuant to the Mortgage in accordance with the Mortgage.
- (c) From and after the execution and delivery of the Mortgage, the Mortgagor shall stand possessed of the Mortgaged Land for the remainder of the Lease in trust for the Mortgagee, and shall exercise any right to renew or extend the term of the Lease or to assign the Lease as the Mortgagee may direct, but subject to the Mortgagor's right of redemption under the Mortgage. The Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagor's attorney for and on behalf of the Mortgagor to exercise any such renewal or extension right and to assign the Lease and convey the leasehold interest in the Mortgaged Land and the reversion thereof as the Mortgagee shall at any time direct after the occurrence of a Default and, in particular, upon any sale made by the Mortgagee under any power of sale contained in the Mortgage or granted by statute to assign the Lease and convey the Mortgagor's leasehold interest in the Mortgaged Land and the reversion to a purchaser. The Mortgagee may at any time remove the Mortgagor or any other person from being a trustee of the Lease under the above declaration of trust and appoint a new trustee or trustees.
- (d) The Mortgagor shall not surrender, terminate, amend or modify the Lease or agree to do so without the prior written consent of the Mortgagee, which the Mortgagee may withhold in its absolute discretion. No release or forbearance of any of the Mortgagor's obligations under the Lease or under any Other Encumbrance shall release the Mortgagor from any of the Mortgagor's obligations under the Mortgage.
- (e) Unless the Mortgagee expressly consents in writing, the title in fee simple to the Mortgaged Land and the leasehold estate shall not merge but shall always remain separate and distinct, notwithstanding the union of said estates by purchase or otherwise.

3. *Last Day of Term Excepted.* Despite any other provision of the Mortgage, the last day of the term of the Lease and of any renewal or extension thereof and of any agreement therefor now held or hereafter acquired by the Mortgagor shall be excepted out of the mortgage, charge and demise contained in the Mortgage.

4. *Charge by way of Sublease.* Despite section C.1. and any other provision of the Mortgage (except section E.3.), the Mortgagor mortgages and charges, by way of sublease, the Mortgagor's leasehold interest in the Mortgaged Land pursuant to the Lease, the mortgages and charges contained in the Mortgage shall be by way of sublease and the Mortgagee shall not have any obligation or liability to the landlord or any other person pursuant to or in respect of the Lease.

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5. *Leasehold Interests.* Wherever any reference is made in the Mortgage to any right of the Mortgagee to sell, transfer, assign, lease, sublease, alienate or otherwise deal with the Mortgaged Land, such reference shall be deemed, subject to section E.3., to relate to the existing and future rights and interests of the Mortgagor in the Mortgaged Land pursuant to the Lease.

F. ASSIGNMENT OF LEASES AND RENTS

If the Mortgagor or any predecessor of the Mortgagor grants or has granted any lease, offer to lease, tenancy agreement or other similar agreement of all or any part of the Mortgaged Land as landlord, the following provisions shall apply:

1. *Assignment.* As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee, all the Mortgagor's rights and interests as landlord in all existing and future leases, tenancy agreements, offers to lease and other similar agreements with respect to all or part of the Mortgaged Land, and all rents, incomes, profits and other amounts now or hereafter arising from or out of all or part of the Mortgaged Land or any building, improvement, fixture or part thereof forming part of the Mortgaged Land.

2. *Separate Assignments.* The assignment of each of the foregoing and of each of the rents, incomes, profits and other amounts by the Mortgagor to the Mortgagee pursuant to section F.1. shall be deemed to be a separate assignment so that the Mortgagee in its discretion may exercise its rights in respect of any or all of such leases, offers to lease, tenancy agreements or other similar agreements or the rents, incomes, profits or other amounts paid or payable thereunder.

3. *Collection by Mortgagor before Default.* Until there occurs a Default, the Mortgagor may collect, retain and apply all rents, incomes, profits and other amounts and deal with all leases, offers to lease, tenancy agreements and other similar agreements from time to time in accordance with sound business practice.

4. *No Liability of Mortgagee and Indemnity by Mortgagor.* Nothing herein shall obligate the Mortgagee to assume or perform (and nothing herein shall impose on the Mortgagee) any liability or obligation of the Mortgagor to any tenant or other person pursuant to or in respect of any lease, offer to lease, tenancy agreement, other similar agreement or otherwise and the Mortgagor hereby indemnifies and saves harmless the Mortgagee from any and all claims with respect thereto, provided that the Mortgagee may, at its sole option, assume or perform any such obligations as it considers necessary or desirable.

5. *Re-assignment.* The Mortgagee may, at any time without further request or agreement by the Mortgagor, reassign to the Mortgagor, or the Mortgagor's heirs, administrators, successors or assigns, any or all of the collateral referred to in section F.1.

6. *Application by Mortgagee.* The Mortgagee's obligations with respect to any amount collected by the Mortgagee shall be discharged by the application of such amount to reduce Indebtedness.

7. *Not Mortgagee in Possession.* Nothing contained herein shall have the effect of making the Mortgagee a mortgagee in possession of the Mortgaged Land.

G. CONDOMINIUM OR STRATA TITLE DEVELOPMENT PROVISIONS

If the Mortgaged Land is or includes one or more condominium units or strata title units, the following provisions shall apply:

1. *Compliance with Requirements.* The Mortgagor shall observe and perform each of the covenants and provisions required to be observed and performed pursuant to the Mortgage, all applicable statutes governing or affecting condominiums or strata title developments, and the declaration, description, by-laws and rules, as amended from time to time, of the applicable condominium corporation or strata corporation.

2. *Common Expense Payments.* The Mortgagor shall pay promptly when due any and all unpaid condominium or strata development fees, common expenses, common element expenses, assessments, levies, instalments, payments or any other amounts due to the applicable

condominium corporation or strata corporation or any agent thereof by the Mortgagor and, at the Mortgagee's request, deliver to the Mortgagee evidence of the payment thereof.

3. *Right of Mortgagee to Pay.* If the Mortgagor does not pay when due any condominium or strata development fees, common expenses or other amounts referred to in section G.2., the Mortgagee may (but shall not be obliged to) pay such amounts, the Mortgagor shall forthwith pay such amounts to the Mortgagee with interest thereon at the Applicable Rate, and all such amounts owing by the Mortgagor to the Mortgagee shall be a part of the Indebtedness and secured by the Mortgage.

4. *Voting by Mortgagee.* The Mortgagor hereby irrevocably authorizes the Mortgagee to exercise the rights of the Mortgagor as an owner of the Mortgaged Land to vote or to consent in all matters relating to the affairs of the condominium corporation or strata corporation or arising under applicable law or the declaration or by-laws of the condominium or strata corporation, provided that:

- (a) in any case where the Mortgagee is entitled to receive and does receive notice of a meeting of owners, the Mortgagee may notify the condominium or strata corporation and the Mortgagor of its intention to exercise the right of the owner to vote or to consent at such meeting at least two days before the date specified in the notice for the meeting, failing which the Mortgagor may exercise such right to vote or consent at such meeting;
- (b) the Mortgagee shall not, by virtue of the giving to the Mortgagee of the right to vote or consent, be under any obligation to vote or consent or to protect the interests of the Mortgagor, and the Mortgagee shall not be responsible for any exercise or failure to exercise the right to vote or consent; and
- (c) nothing herein contained, including the exercise by the Mortgagee of the right to vote or consent, shall constitute the Mortgagee a mortgagee in possession.

H. MORTGAGE AS SECURITY FOR A GUARANTEE

If the Mortgagor has delivered to the Mortgagee or now or hereafter delivers to the Mortgagee a guarantee or guarantees of payment to the Mortgagee of indebtedness or liability of another or others, the Indebtedness shall include all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee or guarantees, whether direct or indirect, absolute or contingent, and the Mortgage shall secure payment of all such indebtedness and liability of the Mortgagor pursuant to such guarantee or guarantees in addition to all other Indebtedness. If any such guarantee is increased or otherwise amended, the Mortgage shall also secure payment of all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee as increased or otherwise amended.

I. DEFAULT

The Mortgagor shall be in default of the Mortgage and a Default shall occur pursuant to the Mortgage if:

- 1. the Mortgagor fails to pay any Indebtedness when due;
- 2. the Mortgagor or a Guarantor fails to comply with any obligation of the Mortgagor or the Guarantor pursuant to or in respect of the Mortgage or any existing or future note, instrument or agreement delivered by the Mortgagor and the Guarantors (or any of them) to the Mortgagee or between the Mortgagor and the Guarantors (or any of them) and the Mortgagee;
- 3. the Mortgagor fails to comply with any obligation of the Mortgagor pursuant to or in respect of any Permitted Prior Mortgage or any Other Encumbrance;
- 4. any representation or warranty made by the Mortgagor or a Guarantor in the Mortgage, any agreement between the Mortgagor and the Guarantors (or any of them) and the Mortgagee, or any loan or credit application made in connection with any Indebtedness was untrue when made;

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5. a Receiver is appointed of any asset of the Mortgagor or of a Guarantor;
6. any construction lien, mechanics' lien or builders' lien is registered against all or any part of the Mortgaged Land and is not discharged within seven days after a request by the Mortgagee that such lien be discharged;
7. all or any part of the Mortgaged Land is condemned or expropriated;
8. the Mortgagor or a Guarantor becomes bankrupt or insolvent;
9. a petition in bankruptcy is filed against the Mortgagor or a Guarantor;
10. the Mortgagor or a Guarantor makes a proposal in bankruptcy or files a notice of intention to make a proposal in bankruptcy;
11. the Mortgagor or a Guarantor makes an application as a debtor in any Insolvency Proceeding or any other person makes an application against the Mortgagor or a Guarantor in any Insolvency Proceeding;
12. the Mortgagor sells, transfers or disposes of in any other manner the Mortgaged Land, any part thereof or any interest therein (unless the Mortgagee has approved in writing such sale, transfer or other disposition);
13. an execution, judgment or order of execution is filed or made against the Mortgaged Land or any part thereof and remains unsatisfied for a period of ten days;
14. the Mortgagor fails to pay when due any amount owing by the Mortgagor to the applicable condominium corporation or strata corporation or any agent thereof referred to in section G.2.; or
15. the Mortgagor or a Guarantor is not an individual and a change in control of the Mortgagor or such Guarantor occurs without the prior written consent of the Mortgagee; for the purposes hereof, a change in control of the Mortgagor or a Guarantor shall be deemed to occur if there occurs one or more sales, transfers or other dispositions of the beneficial ownership existing on the date of the Mortgage in the aggregate of:
 - (a) shares, other securities or other equity interests issued by the Mortgagor or such Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor; or
 - (b) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity.

J. REMEDIES OF MORTGAGEE

1. *Acceleration and Termination of Obligation to Extend Credit.* Without prejudice to any right of the Mortgagee to demand at any time payment by the Mortgagor of any and all Indebtedness, upon the occurrence of a Default all Indebtedness (or any part thereof determined by the Mortgagee) shall, at the Mortgagee's option, forthwith become due and payable, the Mortgage shall become enforceable and the Mortgagor shall not be obligated to extend any further credit to the Mortgagor.

2. *Right of Entry.* Upon the occurrence of a Default, the Mortgagee may, at any time or times without the concurrence of any person, enter upon, take and maintain possession of the Mortgaged Land, inspect, complete the construction of, repair or maintain any buildings or other improvements thereon, lease, collect the rents, profits and other amounts derived from the Mortgaged Land and manage the Mortgaged Land as the Mortgagee may deem fit without hindrance or interruption by the Mortgagor or any other person, and all reasonable costs, charges and expenses, including legal fees on a solicitor and his or her own client basis, and disbursements, commissions and allowances for the time and services of any employees of the Mortgagee or any agent of the Mortgagee or other persons appointed for any such purpose shall be forthwith payable by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. Upon the

occurrence of a Default, the Mortgagee may also enforce its security against all crops growing on the Mortgaged Land, the Mortgagee may, at any time or times without the concurrence of any person, enter upon the Mortgaged Land for the purpose of cutting, harvesting and removing such crops and for otherwise farming and working the Mortgaged Land, the Mortgagee may bring on the Mortgaged Land all machines, equipment and instruments necessary for such purposes, and the Mortgagee may use all yards, barns, granaries, grain bins or all other improvements and equipment located on the Mortgaged Land to carry out any of such activities.

3. *Sale.* Upon the occurrence of a Default which continues for at least fifteen days, the Mortgagee may, on at least thirty-five days' notice, sell the Mortgaged Land or any part or parts thereof, in accordance with the following provisions:

- (a) notice shall be given to such persons and in such manner and form and within such time as provided by law; provided that, in the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, notice may be effectually given by leaving it with a person on the Mortgaged Land, if occupied, or by placing the same on some portion thereof, if unoccupied or, at the option of the Mortgagee, by mailing it by registered mail in a notice or letter addressed to the Mortgagor at the Mortgagor's last known address, or by publishing it once in a newspaper published in the area or region in which the Mortgaged Land is situated;
- (b) such notice shall be sufficient although not addressed to any person or persons by name or designation, and notwithstanding that any person to be affected thereby may be unknown, unascertained or under any disability;
- (c) sale of the Mortgaged Land may be by public auction or private sale or partly by one and partly by the other, for such price or prices as can reasonably be obtained therefor and on such terms as to credit or otherwise and with such conditions of sale and stipulations as to title or evidence of title or otherwise as the Mortgagee in its sole discretion shall deem appropriate;
- (d) in the event of any sale on credit or for part cash and part credit, the Mortgagee shall not be accountable for or charged with any moneys until actually received;
- (e) the Mortgagee may rescind or vary any contract of sale and may buy in and re-sell the Mortgaged Land or any part thereof without being answerable for any loss occasioned thereby;
- (f) the Mortgagee may sell all or any part of the buildings, fixtures, machinery, equipment, crops and standing or fallen trees separately from the Mortgaged Land and the purchaser shall have all necessary access to the Mortgaged Land for the purposes of severing, cutting and removal; and
- (g) subject to compliance with law, sales may be made from time to time of any part or parts of the Mortgaged Land to satisfy any part or parts of the Indebtedness then owing to the Mortgagee leaving the remaining outstanding Indebtedness secured by the Mortgage as a charge of the remainder of the Mortgaged Land.

4. *Sale or Lease.* The following shall apply with respect to any sale or lease by the Mortgagee, its agent or any Receiver of all or part of the Mortgaged Land after the occurrence of a Default:

- (a) no purchaser or lessee shall be bound to enquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety and no lack of default or lack of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease;
- (b) the Mortgagee may sell or lease all or part of the Mortgaged Land without entering into actual possession of the Mortgaged Land and, when it desires to take possession, it may break locks and bolts and while in possession shall only be accountable for moneys actually received by it;

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- (c) the Mortgagor hereby appoints the Mortgagee as the Mortgagor's true and lawful attorney and agent to make application under any statute for consent to sever, sell or lease part or parts of the Mortgaged Land and to do all things and execute all documents to effectually complete any such severance, sale or lease;
- (d) the Mortgagee may lease or take sale proceedings notwithstanding that other mortgage proceedings have been taken or are then pending;
- (e) the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale of the Mortgaged Land unless such loss is caused by the Mortgagee's willful misconduct; and
- (f) no sale, leasing or other dealing by the Mortgagee with the Mortgaged Land or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of any Indebtedness.

5. *Attornment.* To the extent the Mortgaged Land or any part thereof is not a residential premises so as to be subject to the provisions of the applicable statute governing residential tenancies, the Mortgagor hereby attorns to and becomes a tenant of such Mortgaged Land to the Mortgagee from year to year from the date of the execution of the Mortgage until the Mortgage is discharged at a rental equivalent to and applicable in satisfaction of the interest payments forming part of the Indebtedness, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor in regard to the Mortgaged Land. The Mortgagor agrees that neither the existence of this provision nor anything done by virtue hereof shall impose any obligation on the Mortgagee or render the Mortgagee a mortgagee in possession or accountable for any moneys except moneys actually received by the Mortgagee and the Mortgagee may, upon the occurrence of any Default, enter on the Mortgaged Land and terminate the tenancy hereby created without notice.

6. *Right to Distrain.* Upon the occurrence of a Default, to the extent permitted by law, the Mortgagee may distrain for payment of any and all Indebtedness upon the Mortgaged Land or any part thereof and all chattels situated thereon and by distress warrant recover, by way of rent reserved from the Mortgaged Land, such moneys as shall from time to time be or remain in arrears and all costs, charges and expenses incurred by or on behalf of the Mortgagee with respect to or in connection therewith as in like cases of distress for rent. The Mortgagor waives the right to claim exceptions and agrees that the Mortgagee shall not be limited in the amount for which it may distrain.

7. *Judgments and Non-Merger.* The taking of a judgment or judgments with respect to any of the covenants contained herein, in the Mortgage or otherwise shall not operate as a merger of any such covenants or affect the Mortgagee's right to receive interest under the Mortgage and each such judgment may provide, at the option of the Mortgagee, that interest thereon shall be computed and payable until such judgment has been fully paid and satisfied.

8. *Separate Remedies.* All remedies of the Mortgagee may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Mortgagee however created.

9. *Application of Proceeds and Mortgagor's Liability for Deficiency.* All amounts received by the Mortgagee or any Receiver pursuant to any enforcement of the Mortgage may be held by the Mortgagee as security for the Indebtedness or applied to reduce Indebtedness in such manner as may be determined by the Mortgagee and the Mortgagee may at any time apply or change any such appropriation of such payments to such part or parts of the Indebtedness as the Mortgagee may determine in its sole discretion. The Mortgagor shall be and remain liable to the Mortgagee for any deficiency. Any surplus amounts realized after payment of all Indebtedness shall be paid in accordance with applicable law.

10. *Mortgagor's Insolvency Proceedings.* The Mortgagor acknowledges that the Mortgaged Land is of such a unique nature that, if the Mortgagor seeks to reorganize or restructure its affairs pursuant to any Insolvency Proceeding, the Mortgagee would not have a sufficient commonality of interest with any other creditor or creditors of the Mortgagor such that the Mortgagee would be required to vote on any plan, reorganization, arrangement, compromise or other transaction in a class with any other creditor or creditors of the Mortgagor and, in that regard, the Mortgagor

agrees that the Mortgagee shall be placed in its own exclusive class of creditors for voting purposes. The Mortgagor further agrees that:

- (a) it will give the Mortgagee not less than 10 days written notice prior to the commencement of any Insolvency Proceeding with respect to the Mortgagor;
- (b) in no circumstance will the Mortgagor seek an order which stays any right of the Mortgagee or, to the extent permitted by law, permit any right of the Mortgagee to be stayed, in any Insolvency Proceeding and, if any court-ordered or automatic stay is imposed on the Mortgagee, the Mortgagor hereby consents to an order lifting such stay as against the Mortgagee;
- (c) if an Insolvency Proceeding is commenced with respect to the Mortgagor, the Mortgagor will consent to an order directing that all rents or other revenues generated or received from or in respect of the Mortgaged Land be deposited to a segregated trust account under the sole control of the Mortgagee and that same shall not result in the Mortgagee's being a mortgagee in possession of, or in control or management of the Mortgaged Land or result in the acceleration of payment of any Indebtedness unless such acceleration is required by the Mortgagee in writing; and
- (d) it shall not, without the Mortgagee's prior written consent, propose or permit the sale or transfer of the Mortgaged Land or any part thereof, in or as part of any Insolvency Proceeding, for a net sale price less than the amount required to pay in full all Indebtedness outstanding as at the date of payment of such net sale proceeds to the Mortgagee.

K. APPOINTMENT OF A RECEIVER

1. *Appointment.* Upon the occurrence of a Default, in addition to any other remedies available to the Mortgagee, the Mortgagee may by instrument in writing appoint a Receiver of all or any part of the Mortgaged Land and all rents, incomes, profits and other amounts now or hereafter arising therefrom. The Mortgagee may also apply to any court of competent jurisdiction for the appointment of a Receiver.

2. *Powers of Receiver.* Any Receiver appointed by the Mortgagee shall, to the extent permitted by law, have the following powers:

- (a) to enter upon, take possession of, use, and occupy the Mortgaged Land or any part thereof;
- (b) to collect all rents, incomes, profits and other amounts in respect of the Mortgaged Land and to carry on the business of the Mortgagor on the Mortgaged Land;
- (c) to borrow money required for the maintenance, preservation or protection of the Mortgaged Land or for carrying on the business of the Mortgagor and, in the discretion of the Receiver, to charge the Mortgaged Land in priority to the Mortgage as security for the principal amounts so borrowed, interest thereon and costs related thereto;
- (d) to sell, lease, or otherwise dispose of the Mortgaged Land or any part thereof on such terms and conditions and in such manner as the Receiver shall determine in its sole discretion, and to effect such sale by conveying in the name and on behalf of the Mortgagor or otherwise;
- (e) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession of the Mortgaged Land, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the rents, accounts receivable or any other obligation of any person to the Mortgagor;



- (f) to exercise any rights or remedies which could have been exercised by the Mortgagee against the Mortgagor or the Mortgaged Land or with respect thereto; and
- (g) to execute all documents required to effect any of the foregoing.

3. *Identity of Receiver and Removal.* Any Receiver so appointed by the Mortgagee may be any person or persons satisfactory to the Mortgagee, and the Mortgagee may remove any Receiver so appointed and appoint another or others instead.

4. *Receiver as Agent of Mortgagor.* Any Receiver appointed by the Mortgagee shall be deemed to be agent of the Mortgagor unless the Mortgagee expressly specifies in writing that the Receiver shall be agent of the Mortgagee. The Mortgagor agrees to ratify and confirm all actions of the Receiver acting as agent for the Mortgagor and to release and indemnify the Receiver in respect of all such actions.

5. *Receivership Expenses.* The Mortgagor shall pay to the Receiver, forthwith on demand by the Mortgagee or the Receiver, the amount of all reasonable fees, disbursements and other expenses incurred by the Receiver in the exercise of its powers hereunder, with interest thereon at the Applicable Rate from the date on which such sums are incurred. All such sums, together with interest thereon at the Applicable Rate, shall be part of the Indebtedness and secured by the Mortgage.

6. *No Enquiries Required.* No persons dealing with the Receiver or its agents, upon any sale or other dealing with the Mortgaged Land, shall be concerned to inquire as to their powers or as to the application of any money paid to them, such sale or dealing shall be deemed as regards such person to be within the powers hereby conferred and to be valid and effectual.

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L. MISCELLANEOUS

1. *Records of Mortgagee.* The records of the Mortgagee disclosing the amount of an extension of credit by the Mortgagee to the Mortgagor, the repayment of any principal amount of Indebtedness, the amount of accrued and unpaid interest owing by the Mortgagor and the amount of other Indebtedness (or any part thereof) at any time outstanding, shall constitute conclusive evidence thereof in the absence of mathematical error.

2. *Revolving Line of Credit.* The Mortgagee may wish to make loan advances and re-advances or otherwise extend credit to the Mortgagor from time to time up to a total outstanding principal amount not exceeding the principal amount referred to in the Mortgage. The Mortgage is and shall be continuing security to the Mortgagee for the payment of all Indebtedness. Any portion of the Indebtedness may be advanced or re-advanced by the Mortgagee or other credit may be extended by the Mortgagee in one or more sums at any future time or times and the amount of all such advances, re-advances or other credits when so made or extended shall be secured by the Mortgage and be payable by the Mortgagor with interest thereon at the Applicable Rate and the Mortgage shall be deemed to be taken as security for the ultimate balance of the monies hereby secured, provided that none of the execution or registration of the Mortgage or the advance in part of any monies or extension of any other credit by the Mortgagee shall obligate the Mortgagee to advance any unadvanced portion thereof or to extend any other credit. The Mortgage shall not be void or cease to operate because the Indebtedness secured hereby has at any time or times been paid in full.

3. *Assignment and Syndication.* The Mortgagee shall be entitled from time to time, both before and after a Default, without notice to, or the consent of the Mortgagor or any Guarantor:

- (a) to sell or assign all or part of the Indebtedness and the Mortgagee's interests in the Mortgage and any other security and agreements held by the Mortgagee; and
- (b) to syndicate all or part of the Indebtedness, the Mortgage and any other security and agreements held by the Mortgagee and to grant participations therein.

To facilitate the foregoing, the Mortgagee may provide each prospective purchaser, assignee, syndicated lender or participant and their respective advisers with financial and other information concerning the Indebtedness, the Mortgagor, the Mortgaged Land, any Guarantor, any other collateral or any other matter.

4. *General Indemnity by Mortgagor.* The Mortgagor hereby agrees, on demand by the Mortgagee, to indemnify and hold harmless the Mortgagee and its officers, directors, employees and agents from and against any and all claims, expenses, liabilities, losses and damages that may be asserted against or incurred by any of such indemnified persons arising out of, or in connection with the Mortgage, any Indebtedness or any claim, investigation, proceeding or litigation relating to any of the foregoing, regardless of whether any such indemnified person is a party thereto (including any and all breakage costs reasonably incurred by the Mortgagee in respect of any breach by the Mortgagor of any of its obligations under the Mortgage) and to reimburse each such indemnified person, on demand by the Mortgagee, for any and all reasonable legal and other expenses incurred in investigating, pursuing or defending any of the foregoing or otherwise in connection with any of the foregoing; provided that the foregoing indemnity shall not, as to any indemnified person, apply to any claim, expense, liability, loss or damage or related expense to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the wilful misconduct or gross negligence of such indemnified person.

5. *Effect of Sale.* No sale, conveyance, transfer or other dealing by the Mortgagor with the Mortgaged Land or any part thereof or any approval of the Mortgagee relating thereto shall in any way change or affect the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person or persons liable for payment of the Indebtedness or any part thereof.

6. *Dealings with the Mortgagor and Others.* The Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from and give the same and any and all existing security up to, may abstain from taking security from or from perfecting security of, may accept compositions from, may amend the Mortgage, and may otherwise deal

with the Mortgagor and all other persons (including any principal debtor, any Guarantor or any owner of the Mortgaged Land) and security as the Mortgagee may see fit without prejudicing any rights of the Mortgagee under the Mortgage.

7. *Amendments to Mortgage.* The Mortgagor and the Mortgagee may from time to time amend the Mortgage (including to increase the interest rate specified by the Mortgage) by an amendment agreement between the Mortgagor and the Mortgagee, whether or not such amendment agreement (or notice thereof) is registered. This provision shall constitute notice of such amendments and the Mortgage shall secure payment of all Indebtedness (including all interest and other Indebtedness arising or resulting from such amendments) and retain its priority with respect thereto over any mortgage, charge or other instrument registered subsequent to the Mortgage.

8. *Waiver.* No waiver, condonation or excusing by the Mortgagee of any default, breach or other non-performance by the Mortgagor at any time or times in respect of any provision of the Mortgage (including any Default) shall operate as a waiver by the Mortgagee of any subsequent or other default, breach or non-performance or prejudice or affect in any way the rights of the Mortgagee in respect of any such subsequent or other default, breach or non-performance.

9. *Discharge or Assignment.* The Mortgagee shall be entitled to prepare or have its counsel prepare a discharge or assignment of the Mortgage and any other documents necessary to discharge or assign any other security held by the Mortgagee and shall have a reasonable time after payment of the Indebtedness in full within which to prepare, execute and deliver such instruments. All reasonable costs, fees and disbursements of the Mortgagee and the Mortgagee's counsel in connection with the preparation, review, execution and delivery of the discharge, assignment or any other documents necessary to discharge or assign the Mortgage or any other security shall, to the extent permitted by law, be paid by the Mortgagor to the Mortgagee and be secured by the Mortgage.

10. *No Obligation to Advance.* Nothing herein and nothing contained in the Mortgage shall obligate the Mortgagee to loan any amount to the Mortgagor or to extend any other credit to the Mortgagor.

11. *Appointment of Attorney Irrevocable.* Each appointment by the Mortgagor of an attorney in the Mortgage or the Standard Charge Terms is coupled with an interest and may not be revoked.

12. *Other Security.* The Mortgage is in addition to and not in substitution for any other security at any time held by the Mortgagee as security for payment of all or any part of the Indebtedness, and the Mortgagee may, at its option, pursue its remedies thereunder or under the Mortgage concurrently or successively. Any judgment or recovery under the Mortgage or under any other security held by the Mortgagee as security for payment of Indebtedness shall not affect the right of the Mortgagee to enforce or realize on the Mortgage or any other such security.

13. *Financing Statement.* To the extent permitted by law, the Mortgagor hereby waives its right to receive from the Mortgagee a copy of any financing statement, financing change statement, verification statement or other similar statement filed by or received by the Mortgagee or any agent of the Mortgagee.

14. *Notice.* Except as otherwise herein provided, any notice, demand or other communication to the Mortgagor referred to herein or in the Mortgage may be forwarded to the Mortgagor by personal delivery or mailed by prepaid ordinary or registered mail to the Mortgagor at the Mortgagor's last known address as shown on the Mortgagee's records. The Mortgagor shall be deemed to have received the same on the date of delivery, if personally delivered, or on the fourth day after the same is mailed by prepaid ordinary mail or registered mail, if mailed, even if the Mortgagor does not actually receive it.

15. *Different Currencies.* The payment of any part of the Indebtedness shall be made by the Mortgagor in the same currency as the currency in which such part of the Indebtedness is then denominated and all interest and fees shall be paid by the Mortgagor in the same currency as the currency in which that part of the Indebtedness to which they relate is denominated.

16. *Judgment Currency.* If in the recovery by the Mortgagee of any Indebtedness in any currency, judgment can only be obtained in another currency and, because of changes in the

exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the recovery under the judgment differs from the receipt by the Mortgagee of the full amount of such Indebtedness, the Mortgagor shall pay any such deficiency to the Mortgagee, such deficiency may be claimed by the Mortgagee against the Mortgagor as an alternative or additional cause of action and any surplus received by the Mortgagee shall be repaid to the Mortgagor.

17. *Foreign Exchange Rate Determinations.* Whenever any provision of the Mortgage requires or permits the determination of the rate of exchange between any currencies, such rate of exchange shall be determined by the Mortgagee based on its normal practice as at the date of such determination.

18. *Governing Law.* The Standard Charge Terms and the Mortgage shall be governed by the law of the jurisdiction in which the Mortgaged Land is located.

19. *Time of Essence.* Time shall be of the essence of the Mortgage.

20. *Severability.* If any provision of the Mortgage is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and the Mortgage shall remain in full force and effect without such provision.

21. *Interpretation.* Whenever the context so requires, words in the singular shall include the plural, words in the plural shall include the singular and words importing any gender shall include the other genders. Whenever used in the Standard Charge Terms, the Mortgage or any Schedule, the words “including” and “includes” shall mean “including, without limitation” and “includes, without limitation”, respectively, and the word “person” shall include an individual, corporation, partnership, government, government agency and any other entity.

22. *Titles.* Titles used in the Standard Charge Terms, the Mortgage or any Schedule are inserted for convenience of reference only and shall not affect or modify the interpretation or construction of any provision of the Standard Charge Terms, the Mortgage or any Schedule.

23. *Joint and Several Obligations.* If there is more than one Mortgagor, all Mortgagors shall be jointly and severally liable for all obligations of the Mortgagors pursuant to the Mortgage.

24. *Schedule.* Schedule “A” shall form part of the Standard Charge Terms.

25. *Equivalent Rate Information.* Schedule “A” is a summary of various annual rates of interest calculated half-yearly not in advance equivalent to the corresponding annual rates calculated monthly not in advance or calculated quarter-annually not in advance. The rate of interest chargeable, calculated half-yearly not in advance, equivalent to each Applicable Rate, is shown by Schedule “A”.

26. *Successors and Assigns.* All rights and powers of the Mortgagee shall enure to the benefit of and be exercisable by the Mortgagee and the Mortgagee’s successors and assigns. All covenants, obligations and liabilities entered into or imposed on the Mortgagor shall be binding on the Mortgagor and the Mortgagor’s heirs, executors, administrators, personal representatives, successors and assigns.

 DS TC

SCHEDULE "A"

The interest rates set out in Column C are the annual interest rates calculated half-yearly not in advance which are equivalent to the corresponding annual interest rates calculated monthly not in advance set out in Column A and quarter-annually not in advance set out in Column B.

COLUMN A Interest rate calculated monthly not in advance	COLUMN B Interest rate calculated quarter- annually not in advance	COLUMN C Interest rate calculated half-yearly not in advance	COLUMN A Interest rate calculated monthly not in advance	COLUMN B Interest rate calculated quarter- annually not in advance	COLUMN C Interest rate calculated half-yearly not in advance
1.0000%	1.0008%	1.0021%	9.5000%	9.5754%	9.6900%
1.1250%	1.1261%	1.1276%	9.6250%	9.7024%	9.8201%
1.2500%	1.2513%	1.2533%	9.7500%	9.8294%	9.9502%
1.3750%	1.3766%	1.3789%	9.8750%	9.9565%	10.0804%
1.5000%	1.5019%	1.5047%	10.0000%	10.0836%	10.2107%
1.6250%	1.6272%	1.6305%	10.1250%	10.2107%	10.3410%
1.7500%	1.7526%	1.7564%	10.2500%	10.3378%	10.4714%
1.8750%	1.8779%	1.8823%	10.3750%	10.4650%	10.6019%
2.0000%	2.0033%	2.0084%	10.5000%	10.5921%	10.7324%
2.1250%	2.1288%	2.1344%	10.6250%	10.7194%	10.8630%
2.2500%	2.2542%	2.2606%	10.7500%	10.8466%	10.9937%
2.3750%	2.3797%	2.3868%	10.8750%	10.9739%	11.1244%
2.5000%	2.5052%	2.5131%	11.0000%	11.1011%	11.2552%
2.6250%	2.6307%	2.6394%	11.1250%	11.2285%	11.3861%
2.7500%	2.7563%	2.7658%	11.2500%	11.3558%	11.5170%
2.8750%	2.8819%	2.8923%	11.3750%	11.4832%	11.6480%
3.0000%	3.0075%	3.0188%	11.5000%	11.6106%	11.7791%
3.1250%	3.1331%	3.1454%	11.6250%	11.7380%	11.9102%
3.2500%	3.2588%	3.2721%	11.7500%	11.8654%	12.0414%
3.3750%	3.3845%	3.3988%	11.8750%	11.9929%	12.1727%
3.5000%	3.5102%	3.5256%	12.0000%	12.1204%	12.3040%
3.6250%	3.6360%	3.6525%	12.1250%	12.2479%	12.4354%
3.7500%	3.7617%	3.7794%	12.2500%	12.3755%	12.5669%
3.8750%	3.8875%	3.9064%	12.3750%	12.5031%	12.6985%
4.0000%	4.0133%	4.0335%	12.5000%	12.6307%	12.8301%
4.1250%	4.1392%	4.1606%	12.6250%	12.7583%	12.9618%
4.2500%	4.2651%	4.2878%	12.7500%	12.8859%	13.0935%
4.3750%	4.3910%	4.4151%	12.8750%	13.0136%	13.2253%
4.5000%	4.5169%	4.5424%	13.0000%	13.1413%	13.3572%
4.6250%	4.6428%	4.6698%	13.1250%	13.2691%	13.4892%
4.7500%	4.7688%	4.7973%	13.2500%	13.3968%	13.6212%
4.8750%	4.8948%	4.9248%	13.3750%	13.5246%	13.7533%
5.0000%	5.0209%	5.0524%	13.5000%	13.6524%	13.8854%
5.1250%	5.1469%	5.1800%	13.6250%	13.7803%	14.0177%
5.2500%	5.2730%	5.3078%	13.7500%	13.9082%	14.1499%
5.3750%	5.3991%	5.4355%	13.8750%	14.0360%	14.2823%
5.5000%	5.5252%	5.5634%	14.0000%	14.1640%	14.4147%
5.6250%	5.6514%	5.6913%	14.1250%	14.2919%	14.5472%
5.7500%	5.7776%	5.8193%	14.2500%	14.4199%	14.6798%
5.8750%	5.9038%	5.9474%	14.3750%	14.5479%	14.8124%
6.0000%	6.0300%	6.0755%	14.5000%	14.6759%	14.9451%
6.1250%	6.1563%	6.2037%	14.6250%	14.8040%	15.0779%
6.2500%	6.2826%	6.3319%	14.7500%	14.9320%	15.2108%
6.3750%	6.4089%	6.4603%	14.8750%	15.0601%	15.3437%
6.5000%	6.5353%	6.5887%	15.0000%	15.1883%	15.4766%
6.6250%	6.6616%	6.7171%	15.1250%	15.3164%	15.6097%
6.7500%	6.7880%	6.8456%	15.2500%	15.4446%	15.7428%
6.8750%	6.9145%	6.9742%	15.3750%	15.5728%	15.8760%
7.0000%	7.0409%	7.1029%	15.5000%	15.7011%	16.0092%
7.1250%	7.1674%	7.2316%	15.6250%	15.8293%	16.1425%
7.2500%	7.2939%	7.3604%	15.7500%	15.9576%	16.2759%
7.3750%	7.4204%	7.4892%	15.8750%	16.0859%	16.4094%
7.5000%	7.5470%	7.6182%	16.0000%	16.2143%	16.5429%
7.6250%	7.6736%	7.7472%	16.1250%	16.3427%	16.6765%
7.7500%	7.8002%	7.8762%	16.2500%	16.4710%	16.8102%
7.8750%	7.9268%	8.0053%	16.3750%	16.5995%	16.9439%
8.0000%	8.0535%	8.1345%	16.5000%	16.7279%	17.0777%
8.1250%	8.1801%	8.2638%	16.6250%	16.8564%	17.2116%
8.2500%	8.3068%	8.3931%	16.7500%	16.9849%	17.3455%
8.3750%	8.4336%	8.5225%	16.8750%	17.1134%	17.4795%
8.5000%	8.5604%	8.6519%	17.0000%	17.2420%	17.6136%
8.6250%	8.6871%	8.7815%	17.1250%	17.3706%	17.7477%
8.7500%	8.8140%	8.9111%	17.2500%	17.4992%	17.8819%
8.8750%	8.9408%	9.0407%	17.3750%	17.6278%	18.0162%
9.0000%	9.0677%	9.1704%	17.5000%	17.7564%	18.1506%
9.1250%	9.1946%	9.3002%	17.6250%	17.8851%	18.2850%
9.2500%	9.3215%	9.4301%	17.7500%	18.0138%	18.4195%
9.3750%	9.4484%	9.5600%	17.8750%	18.1426%	18.5540%

DS  TC

This is Exhibit "J" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:
Matilda Lici
7CE576F4AA3D4CA...

A Commissioner, etc.
Matilda Lici

PROPERTY DESCRIPTION: PART LOT 32 CONCESSION BROKEN FRONT SALTFLEET, PART 2 62R21646; CITY OF HAMILTON

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT WE1573232.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1995/12/18

OWNERS' NAMES
11977636 CANADA INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1995/12/18 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1995/12/18**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1995/12/16 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1995/12/18 **</p>						
HL167546	1961/06/29	BYLAW				C
VM116081	1992/04/03	TRANSFER		*** COMPLETELY DELETED ***	NORTHPOINT INDUSTRIES LTD.	
VM154837	1993/05/31	CHARGE		*** COMPLETELY DELETED ***	THE BANK OF NOVA SCOTIA	
VM180900	1994/04/18	CHARGE		*** COMPLETELY DELETED ***	THE BANK OF NOVA SCOTIA	
LT587092	2000/01/14	TRANSFER		*** COMPLETELY DELETED *** NORTHPOINT INDUSTRIES LTD.	CONSTANTIN, JAYNNE	
WE8043	2000/10/13	TRANSFER		*** COMPLETELY DELETED *** CONSTANTIN, JAYNNE	1444219 ONTARIO INC.	
WE8044	2000/10/13	CHARGE		*** COMPLETELY DELETED ***		

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.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WE12272	2000/11/10	DISCH OF CHARGE		1444219 ONTARIO INC. *** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA	CONSTANTIN, JAYNNE	
		REMARKS: RE: VM154837				
WE12273	2000/11/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
		REMARKS: RE: VM180900				
WE14298	2000/11/24	CHARGE		*** COMPLETELY DELETED *** 1444219 ONTARIO INC.	853494 ONTARIO LIMITED	
WE50105	2001/08/10	CHARGE		*** COMPLETELY DELETED *** 1444219 ONTARIO INC.	PNP INVESTMENT INC.	
WE129242	2002/11/07	TRANS POWER SALE		*** COMPLETELY DELETED *** CONSTANTIN, JAYNNE	2016697 ONTARIO INC.	
		REMARKS: RE: WE8044 PLANNING ACT STATEMENTS				
WE129243	2002/11/07	CHARGE		*** COMPLETELY DELETED *** 2016697 ONTARIO INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
WE384211	2006/04/12	CERT TAX ARREARS		*** COMPLETELY DELETED *** CITY OF HAMILTON		
WE547495	2008/05/16	TRANSFER		*** COMPLETELY DELETED *** 2016697 ONTARIO INC.	2172981 ONTARIO INC.	
WE547496	2008/05/16	CHARGE		*** COMPLETELY DELETED *** 2172981 ONTARIO INC.	THE EQUITABLE TRUST COMPANY	
WE550939	2008/06/02	CT TAX ARREAR CANC		*** COMPLETELY DELETED ***	CITY OF HAMILTON	
		REMARKS: RE: WE384211				
WE592344	2008/12/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		REMARKS: RE: WE129243				
WE885711	2013/03/01	TRANSFER		*** COMPLETELY DELETED *** 2172981 ONTARIO INC.	2361319 ONTARIO CORP.	
		REMARKS: PLANNING ACT STATEMENTS.				
WE885715	2013/03/01	CHARGE		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WE898068	2013/05/17	DISCH OF CHARGE		2361319 ONTARIO CORP. *** COMPLETELY DELETED *** THE EQUITABLE TRUST COMPANY	ROYAL BANK OF CANADA	
	REMARKS: WE547496.					
WE922513	2013/09/12	CHARGE		*** COMPLETELY DELETED *** 2361319 ONTARIO CORP.	LEE, CHUNG MING	
WE922568	2013/09/12	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2361319 ONTARIO CORP.	LEE, CHUNG MING	
	REMARKS: WE922513					
WE1187075	2017/02/17	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** LEE, CHUNG MING	YELLOW DOG INVESTMENTS INC.	
	REMARKS: WE922513.					
WE1207073	2017/05/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** YELLOW DOG INVESTMENTS INC.		
	REMARKS: WE922513.					
WE1258891	2017/12/22	CHARGE		*** COMPLETELY DELETED *** 2419439 ONTARIO LIMITED 2361319 ONTARIO CORP.	1194206 ONTARIO INC.	
WE1303917	2018/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA		C
	REMARKS: AIRPORT ZONING REGULATIONS					
WE1305279	2018/08/28	CHARGE		*** COMPLETELY DELETED *** 2361319 ONTARIO CORP.	THE TORONTO-DOMINION BANK	
WE1305281	2018/08/28	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2361319 ONTARIO CORP.	THE TORONTO-DOMINION BANK	
	REMARKS: WE1305279.					
WE1305526	2018/08/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1194206 ONTARIO INC.		
	REMARKS: WE1258891.					
WE1315256	2018/10/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
	REMARKS: WE885715.					
WE1341534	2019/03/04	TRANSFER		*** COMPLETELY DELETED ***		

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LAND
 REGISTRY
 OFFICE #62

17292-0058 (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
WE1496419	2021/03/09	CHARGE		2361319 ONTARIO CORP. *** COMPLETELY DELETED *** 2682168 ONTARIO CORP.	2682168 ONTARIO CORP. MAYNBRIDGE CAPITAL INC.	
WE1496420	2021/03/09	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2682168 ONTARIO CORP.	MAYNBRIDGE CAPITAL INC.	
REMARKS: WE1496419						
WE1498081	2021/03/17	APL DEPOSIT PLAN		*** COMPLETELY DELETED ***		
62R21646	2021/03/23	PLAN REFERENCE				C
REMARKS: WE1498081.						
WE1570903	2021/12/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** MAYNBRIDGE CAPITAL INC.		
REMARKS: WE1496419.						
WE1573232	2022/01/07	TRANSFER		*** COMPLETELY DELETED *** 2682168 ONTARIO CORP.	2682168 ONTARIO CORP. 1000072494 ONTARIO INC.	
REMARKS: PLANNING ACT CONSENT; PLANNING ACT STATEMENTS.						
WE1582363	2022/02/11	TRANSFER	\$1,400,000	2682168 ONTARIO CORP. 1000072494 ONTARIO INC.	11977636 CANADA INC.	C
WE1582364	2022/02/11	CHARGE		*** COMPLETELY DELETED *** 11977636 CANADA INC.	ELLE MORTGAGE CORPORATION	
WE1583396	2022/02/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: WE1305279.						
WE1620506	2022/07/15	CHARGE		*** COMPLETELY DELETED *** 11977636 CANADA INC.	10002599560 ONTARIO INC.	
WE1639741	2022/10/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** ELLE MORTGAGE CORPORATION		
REMARKS: WE1582364.						
WE1640365	2022/10/20	CHARGE		*** COMPLETELY DELETED *** 11977636 CANADA INC.	CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.	
WE1640366	2022/10/20	NO ASSGN RENT GEN		*** COMPLETELY DELETED ***		

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NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				11977636 CANADA INC.	CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.	
	<i>REMARKS: WE1640365.</i>					
WE1640797	2022/10/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** 10002599560 ONTARIO INC.		
	<i>REMARKS: WE1620506.</i>					
WE1716501	2023/12/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.		
	<i>REMARKS: WE1640365.</i>					
WE1716520	2023/12/22	CHARGE	\$1,600,000	11977636 CANADA INC.	BANK OF MONTREAL	C
WE1716521	2023/12/22	NO ASSGN RENT GEN		11977636 CANADA INC.	BANK OF MONTREAL	C
	<i>REMARKS: WE1716520</i>					
WE1716639	2023/12/27	CHARGE	\$250,000	11977636 CANADA INC.	AKS FINANCE INC.	C
WE1716640	2023/12/27	NO ASSGN RENT GEN		11977636 CANADA INC.	AKS FINANCE INC.	C
	<i>REMARKS: WE1716639</i>					

PROPERTY DESCRIPTION: PT LT 18 CON 3 SER WARWICK PT 1, 25R5230; WARWICK

PROPERTY REMARKS: PLANNING ACT CONSENT AS IN L652520.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
2007/02/19

OWNERS' NAMES
11977636 CANADA INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2007/02/16 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2007/02/19 **</p>						
25R5230	1989/04/21	PLAN REFERENCE				C
L682422	1990/09/27	AGREEMENT				C
L923696	2004/08/31	TRANSFER		*** COMPLETELY DELETED ***	PENTA FARM SYSTEMS LTD.	
L923697	2004/08/31	CHARGE		*** COMPLETELY DELETED ***	ST. WILLIBRORD COMMUNITY CREDIT UNION LIMITED	
LA10590	2007/05/01	APL COURT ORDER		*** COMPLETELY DELETED *** FEDERAL COURT OF CANADA	JAY-LOR INTERNATIONAL INC. JAY-LOR FABRICATING INC.	
LA19131	2007/09/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** LIBRO CREDIT UNION LIMITED		
REMARKS: RE: L923697						
LA23960	2007/12/07	APL TR BK-OWNER		*** COMPLETELY DELETED *** PENTA FARM SYSTEMS LTD.	A. FARBER & PARTNERS INC.	

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.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
LA23966	2007/12/07	TR TRUST BANKRPTCY		*** COMPLETELY DELETED *** A. FARBER & PARTNERS INC.	JOBERTAN LTD.	
LA27213	2008/02/14	APL (GENERAL)		*** COMPLETELY DELETED *** JOBERTAN LTD.		
		REMARKS: DELETE LA10590				
LA115738	2012/12/20	NOTICE		AGRIS SOLAR CO-OPERATIVE INC.		C
LA115739	2012/12/20	NO SEC INTEREST	\$2	FARM CREDIT CANADA		C
LA227296	2019/10/04	TRANSFER		*** COMPLETELY DELETED *** JOBERTAN LTD.	1749643 ONTARIO LIMITED	
LA227297	2019/10/04	CHARGE		*** COMPLETELY DELETED *** 1749643 ONTARIO LIMITED	JOBERTAN LTD.	
LA227889	2019/10/17	CHARGE		*** COMPLETELY DELETED *** 1749643 ONTARIO LIMITED	MEHTA, MAMTA	
LA261287	2021/07/15	CERTIFICATE		*** COMPLETELY DELETED *** THE CORPORATION OF THE TOWNSHIP OF WARWICK		
		REMARKS: TAX ARREARS				
LA279704	2022/05/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** JOBERTAN LTD.		
		REMARKS: LA227297.				
LA280111	2022/06/07	TRANSFER	\$1,100,000	1749643 ONTARIO LIMITED	11977636 CANADA INC.	C
LA280112	2022/06/07	CHARGE		*** COMPLETELY DELETED *** 11977636 CANADA INC.	2391393 ONTARIO INC.	
LA281099	2022/06/24	APL GOVT ORDER		*** COMPLETELY DELETED *** THE CORPORATION OF THE COUNTY OF LAMBTON		
		REMARKS: PROPERTY STANDARDS ORDER				
LA286492	2022/09/29	APL (GENERAL)		*** COMPLETELY DELETED *** THE CORPORATION OF THE COUNTY OF LAMBTON		
LA286653	2022/10/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** MEHTA, MAMTA		
		REMARKS: LA227889.				
LA286654	2022/10/03	CHARGE		*** COMPLETELY DELETED ***		

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.

LAND
 REGISTRY
 OFFICE #25

43063-0097 (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
LA287157	2022/10/14	APL (GENERAL)		11977636 CANADA INC. *** COMPLETELY DELETED *** THE CORPORATION OF THE TOWNSHIP OF WARWICK	CHADHA, DAVINDER SINGH	
		REMARKS: LA261287				
LA287420	2022/10/20	CHARGE		*** COMPLETELY DELETED *** 11977636 CANADA INC.	CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.	
LA287421	2022/10/20	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 11977636 CANADA INC.	CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.	
		REMARKS: LA287420.				
LA290989	2023/01/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** CHADHA, DAVINDER SINGH		
		REMARKS: LA286654.				
LA306404	2023/12/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** CEDARGREEN LANDSCAPE CONTRACTORS LTD. CLAURAH HOLDINGS LTD.		
		REMARKS: LA287420.				
LA306411	2023/12/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2391393 ONTARIO INC.		
		REMARKS: LA280112.				
LA306412	2023/12/22	CHARGE	\$1,325,000	11977636 CANADA INC.	BANK OF MONTREAL	C
LA306413	2023/12/22	NO ASSGN RENT GEN		11977636 CANADA INC.	BANK OF MONTREAL	C
		REMARKS: LA306412				
LA306427	2023/12/27	CHARGE	\$250,000	11977636 CANADA INC.	AKS FINANCE INC.	C
LA306428	2023/12/27	NO ASSGN RENT GEN		11977636 CANADA INC.	AKS FINANCE INC.	C
		REMARKS: LA306427				

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.

This is Exhibit "K" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA...

Matilda Lici

RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(6024)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 11977636 CANADA INC.

FILE CURRENCY : 17SEP 2024

ENQUIRY NUMBER 20240918091349.41 CONTAINS 13 PAGE(S), 3 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

AIRD & BERLIS LLP
ATTN: SHANNON MORRIS
HOLD FOR PICK UP
TORONTO ON M5J2T9

CONTINUED...

2



(crfj6 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(6025)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
501388866

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20231220 1638 1590 3875	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 11977636 CANADA INC.

04 ADDRESS 18 BLOSSOM LANE HAMILTON

ONTARIO CORPORATION NO. 3234439
ON L9C 2W6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / BANK OF MONTREAL
LIEN CLAIMANT

09 ADDRESS 100 KING STREET WEST TORONTO ON M5X 1A3

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				

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL GENERAL SECURITY AGREEMENT OVER ALL ASSETS, INCLUDING BUT NOT LIMITED
14 COLLATERAL TO THE ASSETS LOCATED AT 5641 NAUVOO ROAD, WATFORD, ONTARIO N0M 2S0
15 DESCRIPTION AND AT 652 PARKDALE AVENUE NORTH, HAMILTON, ONTARIO L8H 5Z4.

16 REGISTERING SCHWARZ LAW PARTNERS LLP
AGENT

17 ADDRESS 1984 YONGE STREET TORONTO ON M4S 1Z7

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(6026)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER				
01	001	2		20240917 0817 1793 2949					
21	RECORD REFERENCED	FILE NUMBER	501388866						
22		PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD			
23	REFERENCE		FIRST GIVEN NAME	INITIAL	SURNAME				
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	11977636 CANADA INC.						
25	OTHER CHANGE								
26	REASON/ DESCRIPTION	AMENDED TO (A) REMOVE THE ONTARIO CORPORATION NUMBER INCLUDED IN THE DEBTOR DETAILS, AND (B) REMOVE THE GENERAL COLLATERAL DESCRIPTION IN ITS ENTIRETY FROM REGISTRATION NO.							
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME					
05	DEBTOR/ TRANSFEREE	BUSINESS NAME	11977636 CANADA INC.						
06									
04/07	ADDRESS	18 BLOSSOM LANE		HAMILTON	ONTARIO CORPORATION NO.	ON	L9C2W6		
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE							
08		ADDRESS							
09		ADDRESS							
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED				
		GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED	AMOUNT	MATURITY OR	MATURITY DATE			
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.				
12	GENERAL	DESCRIPTION							
14	COLLATERAL	DESCRIPTION							
15	REGISTERING AGENT OR	AIRD & BERLIS LLP							
16	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON	M5J2T9			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario 

RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(6027)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	2		20240917 0817 1793 2949	
21	FILE NUMBER	501388866			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR / TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE REASON / DESCRIPTION	20231220 1638 1590 3875.			
02 / 05	DEBTOR / TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03 / 06	TRANSFEEE	BUSINESS NAME			
04 / 07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08		ADDRESS			
09		ADDRESS			
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED
		GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED	AMOUNT MATURITY OR	MATURITY DATE
11	MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION	YEAR MAKE	MODEL	V.I.N.	
12					
13					
14					
15					
16	REGISTERING AGENT OR	SECURED PARTY / LIEN CLAIMANT			
17		ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(6028)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
501388956

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 2 20231220 1641 1590 3878 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME 11977636 CANADA INC.

04 ADDRESS 18 BLOSSOM LANE HAMILTON ONTARIO CORPORATION NO. 3234439
ON L9C 2W6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / BANK OF MONTREAL
09 LIEN CLAIMANT

ADDRESS 100 KING STREET WEST TORONTO ON M5X 1A3

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL NOTICE OF ASSIGNMENT OF RENTS CONTAINS COVENANT BY THE DEBTOR NOT TO
14 COLLATERAL GRANT SECURITY INTERESTS IN OR TRANSFER TO THIRD PARTIES THE
15 DESCRIPTION COLLATERAL WITHOUT THE CONSENT OF THE SECURED PARTY, INCLUDING BUT

16 REGISTERING SCHWARZ LAW PARTNERS LLP
17 AGENT ADDRESS 1984 YONGE STREET TORONTO ON M4S 1Z7

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(6029)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
501388956

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
002 2 20231220 1641 1590 3878

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL NOT LIMITED TO THE ASSETS LOCATED AT 652 PARKDALE AVENUE NORTH,
14 COLLATERAL HAMILTON, ONTARIO L8H 5Z4.
15 DESCRIPTION

16 REGISTERING
AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(6030)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	2		20240917 0818 1793 2950	
21	FILE NUMBER	501388956			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	11977636 CANADA INC.		
25	OTHER CHANGE REASON/ DESCRIPTION	AMENDED TO (A) REMOVE THE ONTARIO CORPORATION NUMBER INCLUDED IN THE DEBTOR DETAILS, AND (B) AMEND AND RESTATE THE GENERAL COLLATERAL DESCRIPTION IN			
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/ TRANSFEREE	BUSINESS NAME	11977636 CANADA INC.		
06				ONTARIO CORPORATION NO.	
04/07	ADDRESS	18 BLOSSOM LANE	HAMILTON	ON	L9C2W6
29	ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
08					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED	
10	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER
		INCLUDED	AMOUNT	MATURITY	OR
				MATURITY	DATE
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
12	GENERAL COLLATERAL DESCRIPTION	ASSIGNMENT OF ALL LEASES AND RENTS DERIVED FROM THE PROPERTY KNOWN MUNICIPALLY AS 652 PARKDALE AVENUE NORTH, HAMILTON, ONTARIO AND LEGALLY DESCRIBED IN PIN 17292-0058 (LT).			
16	REGISTERING AGENT OR	AIR & BERLIS LLP			
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON M5J2T9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

8

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 8
(6031)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	2		20240917 0818 1793 2950	
21	FILE NUMBER	501388956			
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD

REFERENCE DEBTOR/ TRANSFEROR	BUSINESS NAME	FIRST GIVEN NAME	INITIAL	SURNAME
23				
24				

25 OTHER CHANGE REASON/ DESCRIPTION
26 REGISTRATION NO. 20231220 1641 1590 3878.
27
28

DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02/05				
03/06				
04/07	ADDRESS			

ONTARIO CORPORATION NO.

29 ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO FIXED MATURITY DATE
10							

MOTOR VEHICLE GENERAL DESCRIPTION	YEAR	MAKE	MODEL	V.I.N.
11				
12				
13				
14				
15				
16				
17				

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

9

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 9
(6032)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
501388974

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 2 20231220 1642 1590 3879 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 11977636 CANADA INC.

04 ADDRESS 18 BLOSSOM LANE HAMILTON ONTARIO CORPORATION NO. 3234439
ON L9C 2W6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / BANK OF MONTREAL
LIEN CLAIMANT

09 ADDRESS 100 KING STREET WEST TORONTO ON M5X 1A3

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL NOTICE OF ASSIGNMENT OF RENTS CONTAINS COVENANT BY THE DEBTOR NOT TO
14 COLLATERAL GRANT SECURITY INTERESTS IN OR TRANSFER TO THIRD PARTIES THE
15 DESCRIPTION COLLATERAL WITHOUT THE CONSENT OF THE SECURED PARTY, INCLUDING BUT

16 REGISTERING SCHWARZ LAW PARTNERS LLP
AGENT

17 ADDRESS 1984 YONGE STREET TORONTO ON M4S 1Z7

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 10
(6033)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
501388974

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
002 2 20231220 1642 1590 3879

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL NOT LIMITED TO THE ASSETS LOCATED AT 5641 NAUVOO ROAD, WATFORD,
14 COLLATERAL ONTARIO N0M 2S0.
15 DESCRIPTION

16 REGISTERING
AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

11

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 11
(6034)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER				
01	001	2		20240917 0819 1793 2951					
21	RECORD REFERENCED	FILE NUMBER	501388974						
22		PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD			
23	REFERENCE		FIRST GIVEN NAME	INITIAL	SURNAME				
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	11977636 CANADA INC.						
25	OTHER CHANGE								
26	REASON/ DESCRIPTION	AMENDED TO (A) REMOVE THE ONTARIO CORPORATION NUMBER INCLUDED IN THE DEBTOR DETAILS, AND (B) AMEND AND RESTATE THE GENERAL COLLATERAL DESCRIPTION IN							
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME					
05	DEBTOR/ TRANSFEREE	BUSINESS NAME	11977636 CANADA INC.						
06									
04/07	ADDRESS	18 BLOSSOM LANE		HAMILTON	ONTARIO CORPORATION NO.	ON	L9C2W6		
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE							
08									
09	ADDRESS								
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF	NO FIXED				
		GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	AMOUNT MATURITY OR	MATURITY DATE			
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.				
12	GENERAL COLLATERAL DESCRIPTION	ASSIGNMENT OF ALL LEASES AND RENTS DERIVED FROM THE PROPERTY KNOWN MUNICIPALLY AS 5641 NAUVOO ROAD, WATFORD, ONTARIO AND LEGALLY DESCRIBED IN PIN 43063-0097 (LT).							
13	REGISTERING AGENT OR	AIR & BERLIS LLP							
14	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	181 BAY STREET, SUITE 1800, BOX# 754	TORONTO	ON	M5J2T9			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 12

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario 

RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 12
(6035)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	2		20240917 0819 1793 2951	
21	RECORD REFERENCED	FILE NUMBER	501388974		
22	PAGE AMENDED	NO. SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE				
26	REASON/ DESCRIPTION	REGISTRATION NO.	20231220 1642 1590 3879.		
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
06		BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE
		GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	AMOUNT	OR
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.	
12	GENERAL				
13	COLLATERAL				
14	DESCRIPTION				
15	REGISTERING AGENT OR				
16	SECURED PARTY/ LIEN CLAIMANT	ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

13

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)



RUN NUMBER : 262
RUN DATE : 2024/09/18
ID : 20240918091349.41

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 13
(6036)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 11977636 CANADA INC.
FILE CURRENCY : 17SEP 2024

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
501388866	20231220 1638 1590 3875	20240917 0817 1793 2949		
501388956	20231220 1641 1590 3878	20240917 0818 1793 2950		
501388974	20231220 1642 1590 3879	20240917 0819 1793 2951		

6 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crf6 05/2022)

This is Exhibit "L" of
the Affidavit of David Coutts
Sworn before me this 5th day of December 2024

DocuSigned by:

Matilda Lici

7CE576F4AA3D4CA

Matilda Lici

September 20, 2024

DELIVERED BY REGISTERED MAIL**11977636 Canada Inc.**
18 Blossom Lane
Hamilton, ON L9C 2W6

Attention: Taibah Chaudhary

Dear Ms. Chaudhary:

Re: Bank of Montreal (the “Lender”) loans to 11977636 Canada Inc. (the “Debtor”)

We are the lawyers for the Lender in connection with its lending arrangements with the Debtor.

The Debtor is indebted to the Lender with respect to certain credit facilities (the “**Credit Facilities**”) made available by the Lender to the Debtor pursuant to and under the terms of a letter of agreement dated November 22, 2023 (as amended, restated, supplemented or otherwise modified from time to time, and hereinafter, the “**Loan Agreement**”).

The below amounts are owing by the Debtor to the Lender as of September 17, 2024 for principal and interest pursuant to the Loan Agreement.

Credit Facility	Principal	Interest	Total (CAD)
Non-Revolver Demand Loan (2804-6999-600)	\$1,200,000.00	\$4,463.93	\$1,204,463.93
Non-Revolver Demand Loan (2804-6999-598)	\$750,000.00	\$2,789.96	\$752,789.96
Overdraft Lending Product (Revolving Line)	\$60,000.00	\$461.69	\$60,461.69
Overdraft Lending Product (Excess)	\$24,477.90	\$0.00	\$24,477.90
Fees	\$50.00	-	\$50.00
TOTAL	\$2,034,527.90	\$7,715.58	\$2,042,243.48

Certain defaults have occurred under the Loan Agreement. Accordingly, on behalf of the Lender, we hereby make formal demand for payment of **\$2,042,243.48**, together with accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by the Lender pursuant to the Loan Agreement (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement and any other agreement, as applicable.

The Indebtedness and other obligations of the Debtor in connection with the Credit Facilities under the Loan Agreement are secured by, among other things:

- (i) a charge/mortgage granted by the Debtor in favour of the Lender in the amount of \$1,325,000, registered on December 22, 2023 in respect of the real property known municipally as 5641 Nauvoo Road, Watford, Ontario and legally described in PIN 43063-0097 (LT);
- (ii) a charge/mortgage granted by the Debtor in favour of the Lender in the amount of \$1,600,000, registered on December 22, 2023 in respect of the real property known municipally as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in PIN 17292-0058 (LT); and
- (iii) a general security agreement dated December 14, 2023, which grants the Lender, among other things, a security interest in any and all of the Debtor's property, assets and undertakings.

If payment of the Indebtedness is not received immediately, the Lender shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the appointment of a receiver or receiver and/or manager, or the commencement of any other proceedings that are necessary, in which case, the Lender will also be seeking all costs incurred in doing so.

On behalf of the Lender, we enclose a Notice of Intention to Enforce Security, which is delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**"). The Lender hereby reserves its right to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

AIRD & BERLIS LLP



Steven L. Graff
SLG/sh
Encl.

cc: Bank of Montreal (by email)

NOTICE OF INTENTION TO ENFORCE SECURITY
(Bankruptcy and Insolvency Act, Subsection 244(1))
Delivered By Registered Mail

TO: 11977636 Canada Inc.
18 Blossom Lane
Hamilton, ON L9C 2W6

insolvent company / person

TAKE NOTICE that:

1. Bank of Montreal (the “**Lender**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of 11977636 Canada Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal property of the Debtor.
2. The security that is to be enforced is in the form of, *inter alia*, (i) a charge/mortgage granted by the Debtor in the amount of \$1,325,000, in respect of the real property known municipally as 5641 Nauvoo Road, Watford, Ontario; (ii) a charge/mortgage granted by the Debtor in the amount of \$1,600,000, in respect of the real property known municipally as 652 Parkdale Avenue North, Hamilton, Ontario; and (iii) a general security agreement dated December 14, 2023 (collectively, the “**Security**”).
3. As at September 17, 2024, the total amount of the indebtedness secured by the Security is the sum of \$2,042,243.48, in principal and interest, plus accruing interest and recovery costs and fees of the Lender (including, without limitation, the Lender’s legal and other professional fees).
4. The Lender will not have the right to enforce the Security until after the expiry of the ten (10) day period following this notice is sent, unless the Debtor consents to an earlier enforcement.

DATED at Toronto this 20th day of September, 2024.

BANK OF MONTREAL
by its lawyers, **AIRD & BERLIS LLP**

Per: _____



Steven L. Graff
Brookfield Place, Suite 1800
181 Bay Street, Box 754
Toronto, ON M5J 2T9
Tel: 416-863-1500 Fax: 416-863-1515

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.



Steven L. Graff
Direct: 416.865.7726
Email: sgraff@airdberlis.com

September 20, 2024

DELIVERED BY REGISTERED MAIL

Taibah Chaudhary
18 Blossom Lane
Hamilton, ON L9C 2W6

Dear Ms. Chaudhary:

Re: Bank of Montreal (the “Lender”) loans to 11977636 Canada Inc. (the “Debtor”)

We are the lawyers for the Lender in connection with its lending arrangements with the Debtor.

The Debtor is indebted to the Lender with respect to certain credit facilities (the “**Credit Facilities**”) made available by the Lender to the Debtor pursuant to and under the terms of a letter of agreement dated November 22, 2023 (as amended, restated, supplemented or otherwise modified from time to time, and hereinafter, the “**Loan Agreement**”).

The below amounts are owing by the Debtor to the Lender as of September 17, 2024 for principal and interest pursuant to the Loan Agreement.

Credit Facility	Principal	Interest	Total (CAD)
Non-Revolver Demand Loan (2804-6999-600)	\$1,200,000.00	\$4,463.93	\$1,204,463.93
Non-Revolver Demand Loan (2804-6999-598)	\$750,000.00	\$2,789.96	\$752,789.96
Overdraft Lending Product (Revolving Line)	\$60,000.00	\$461.69	\$60,461.69
Overdraft Lending Product (Excess)	\$24,477.90	\$0.00	\$24,477.90
Fees	\$50.00	-	\$50.00
TOTAL	\$2,034,527.90	\$7,715.58	\$2,042,243.48

In your personal capacity, you guaranteed the obligations of the Debtor to the Lender pursuant to a guarantee dated December 14, 2023, limited to the principal amount of \$2,060,000.00 (the “**Guarantee**”).

The Lender has made formal demand on the Debtor for payment of amounts owing to it under the Loan Agreement. Accordingly, on behalf of the Lender, we hereby make formal demand for payment of **\$2,042,243.48**, together with interest and all costs and expenses (including legal expenses) incurred by the Lender (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rate established by the Guarantee.

If payment of the Indebtedness is not received immediately, the Lender shall take whatever steps it may consider necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the commencement of legal proceedings against you.

AIRD & BERLIS LLP

A handwritten signature in blue ink, appearing to read 'S. Graff', with a stylized flourish at the end.

Steven L. Graff
SLG/sh

cc: Bank of Montreal (by email)

BANK OF MONTREAL
Applicant

- and -

11977636 CANADA INC.
Respondent

Court File No. CV-24-00088321-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

AFFIDAVIT OF DAVID COUTTS
(sworn December 5, 2024)

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Steven Graff (LSO #31871V)

Tel: (416) 865-7726

Email: sgraff@airdberlis.com

Matilda Lici (LSO #79621D)

Tel: (416) 865-3428

Email: mlici@airdberlis.com

Lawyers for the Bank of Montreal

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE)
)
TUESDAY, THE 14TH
DAY OF JANUARY, 2025

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

11977636 CANADA INC.

Respondent

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

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of 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 11977636 Canada Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including the real property municipally known as 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) and the real properties municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and

legally described in PIN 17292-0058 (LT) (the “**Real Properties**” and collectively, the “**Property**”) was heard this day at 45 Main Street East, Hamilton, Ontario, L8N 2B7 by videoconference.

ON READING the affidavit of David Coutts sworn December 5, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and all other counsel listed on the counsel slip, no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Daisy Jin sworn December 13, 2024 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 Record 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 the Property of the Debtor, including the Real Properties, acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof.

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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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, 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,

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, including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, 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 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 \$200,000 (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 "A"** 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-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the “**Rules**”), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules 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: <https://www.spergelcorporate.ca/engagements/>.

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.

27. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. **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.

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

30. **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.

31. **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.

32. **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.

33. **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.

34. **THIS COURT ORDERS AND DIRECTS** that, as soon as practicable, the Land Registry Offices for the Land Titles Divisions of Wentworth (No. 62) and Lambton (No. 25) accept this Order for registration on title to the Real Properties described in **Schedule “B”** hereto.

35. **THIS COURT ORDERS** that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

SCHEDULE "A"
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 11977636 Canada Inc. (the "**Debtor**"), including the real property municipally known as 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) and the real property municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in PIN 17292-0058 (LT) (collectively, the "**Real Properties**"), acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the 14th day of January, 2025 (the "**Order**") made in an action having Court file number CV-24-00088321-0000, 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 11977636 Canada Inc., and not in
its personal capacity

Per: _____
Name:
Title:

SCHEDULE "B"

DESCRIPTION OF REAL PROPERTY

5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT), PT LT 18 CON 3 SER WARWICK PT 1, 25R5230; WARWICK; and

652 Parkdale Avenue North, Hamilton, Ontario, which is legally described in PIN 17292-0058 (LT), PART LOT 32 CONCESSION BROKEN FRONT SALTFLEET, PART 2 62R21646; CITY OF HAMILTON.

BANK OF MONTREAL
Applicant

- and -

11977636 CANADA INC.
Respondent

Court File No. CV-24-00088321-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

ORDER
(Appointing Receiver)

AIRD & BERLIS LLP

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Lawyers for Bank of Montreal

TAB 4

Court File No. _____

Court File No. CV-24-00088321-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) ~~WEEKDAY~~TUESDAY, THE #14TH
JUSTICE) DAY OF ~~MONTH~~JANUARY, ~~20YR~~2025

B E T W E E N:

BANK OF MONTREAL

PLAINTIFF⁺
Applicant

Plaintiff
- and -

DEFENDANT

11977636 CANADA INC.

Respondent

Defendant

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

ORDER
(appointing Receiver)

~~⁺The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

THIS MOTION APPLICATION made by the **Plaintiff² Applicant** for an Order pursuant to section 243(1) of 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 ~~[RECEIVER'S NAME]~~ msi Spergel Inc. as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ 11977636 Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including the real property municipally known as 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) and the real properties municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in PIN 17292-0058 (LT) (the "Real Properties" and collectively, the "Property") was heard this day at ~~330 University Avenue, Toronto~~ 45 Main Street East, Hamilton, Ontario, L8N 2B7 by videoconference.

ON READING the affidavit of ~~[NAME]~~ David Coutts sworn ~~[DATE]~~ December 5, 2024 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES], no one~~ the Applicant and all other counsel listed on the counsel slip, no one else appearing for ~~[NAME]~~ any other person on the service list, although duly served as appears from the affidavit of service of ~~[NAME]~~ Daisy Jin sworn ~~[DATE]~~ December 13, 2024 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 Record** is hereby abridged and validated³ so that this **motion Application** is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

³ ~~If 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.~~

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 Property of the Debtor, including the Real Properties, acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof ~~(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.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,

~~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.~~

- (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~100,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~500,000; 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*, ~~f~~or section 31 of the Ontario *Mortgages Act*, as the case may be,~~]~~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

~~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.~~

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, including, but not limited to, any illness or bodily harm resulting from a party or parties contracting COVID-19, 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

~~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".~~

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 \$~~_____~~200,000 (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 "A"** 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 <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol>/<https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the “Rules”), 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 ~~“@”~~: <https://www.spergelcorporate.ca/engagements/>.

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.

27. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning

of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. ~~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.

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

30. ~~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.

31. ~~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.

32. ~~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.

33. ~~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.

34. THIS COURT ORDERS AND DIRECTS that, as soon as practicable, the Land Registry Offices for the Land Titles Divisions of Wentworth (No. 62) and Lambton (No. 25) accept this Order for registration on title to the Real Properties described in Schedule "B" hereto.

35. THIS COURT ORDERS that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

SCHEDULE "A"
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 11977636 Canada Inc. (the "Debtor"), including the real property municipally known as 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT) and the real property municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in PIN 17292-0058 (LT) (collectively, the "Real Properties"), acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "Court") dated the 14th day of January, ~~20~~ 2025 (the "Order") made in an action having Court file number ~~CL~~ CV-24-00088321-0000, 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~~ 11977636 Canada
Inc., and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

DESCRIPTION OF REAL PROPERTY

5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT), PT LT 18 CON 3 SER WARWICK PT 1, 25R5230; WARWICK; and

652 Parkdale Avenue North, Hamilton, Ontario, which is legally described in PIN 17292-0058 (LT), PART LOT 32 CONCESSION BROKEN FRONT SALTFLEET, PART 2 62R21646; CITY OF HAMILTON.

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

11977636 CANADA INC.

Respondent

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


**CONSENT TO ACT AS
COURT-APPOINTED RECEIVER**

MSI SPERGEL INC. hereby consents to act as the court-appointed receiver, without security, over all of the assets, undertakings, and properties of the Respondent, 11977636 Canada Inc., acquired for or used in relation to a business or businesses carried on by the Respondent, including, without limitation, the following real properties:

- (a) 5641 Nauvoo Road, Watford, Ontario, which is legally described in PIN 43063-0097 (LT); and
- (b) 652 Parkdale Avenue North, Hamilton, Ontario, which is legally described in PIN 17292-0058 (LT).

Dated at Toronto, Ontario this 22 day of November, 2024.

msi Spergel Inc., solely in its capacity as
Receiver and not in its personal capacity

Signed by:

Per: _____
Name: Mukul Manchanda
Title: Managing Partner, Corporate
Restructuring & Insolvency
I have authority to bind the Corporation.

BANK OF MONTREAL

- and - **11977636 CANADA INC.**

Applicant

Respondent

Court File No. CV-24-00088321-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

**CONSENT TO ACT AS
RECEIVER**

AIRD & BERLIS LLP

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181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

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Matilda Lici (LSO #79621D)

Tel: (416) 865-3428

Email: mlici@airdberlis.com

Lawyers for the Bank of Montreal

TAB 6

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

11977636 CANADA INC.

Respondent

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

**SERVICE LIST
(as of December 13, 2024)**

AIRD & BERLIS LLP

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181 Bay St., Suite 1800
Toronto, ON M5J 2T9

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Lawyers for the Applicant, Bank of Montreal

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Mukul Manchanda

Tel: (416) 498-4314
Email: mmanchanda@spergel.ca

Proposed receiver

11977636 CANADA INC.

18 Blossom Lane
Hamilton, ON L9C 2W6

Taibah Chaudhary

AKS FINANCE INC.

15 Flurry Circle
Brampton, ON L6X 058

Mohit Sharma

Tel: 647-829-1222
Email: mohitsharma@aksfinanceinc.com

ATTORNEY GENERAL OF CANADA

Department of Justice of Canada
Ontario Regional Office, Tax Law Section
120 Adelaide Street West, Suite 400
Toronto, ON M5H 1T1

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

HIS MAJESTY THE KING IN RIGHT OF CANADA

as represented by Ministry of Finance
Legal Services Branch
Revenue Collections Branch – Insolvency Unit
33 King Street West
Oshawa, ON L1H 8H5

Email: insolvency.unit@ontario.ca

EMAIL SERVICE LIST

sgraff@airdberlis.com; mlici@airdberlis.com; mmanchanda@spergel.ca;
mohitsharma@aksfinanceinc.com; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca;
insolvency.unit@ontario.ca

BANK OF MONTREAL
Applicant

- and -

11977636 CANADA INC.
Respondent

Court File No. CV-24-00088321-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Hamilton

APPLICATION RECORD
(Returnable January 14, 2025)

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Lawyers for Bank of Montreal