

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c.B-3 AS AMENDED;

IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990 c.C-43, AS AMENDED

B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

-and-

2465 BROCK RD DEVELOPMENT INC.

Respondent

APPLICATION RECORD

January 3, 2025

SPETTER ZEITZ KLAIMAN PC
Barristers and Solicitors
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Lawyers for the Applicant

TO: THIS HONOURABLE COURT

AND TO: SERVICE LIST

Schedule "A"
SERVICE LIST

TO:	THIS HONOURABLE COURT	
AND TO:	2465 Brock Rd Development Inc. 18 Bissland Drive Ajax, Ontario L1Z 0C9 Sacha Singh (Director) Email: sacha@dandsgroup.ca	Respondent
AND TO:	Forrester Law 82 Ontario Street South Grand Bend, Ontario N0M 1T0 Michael G. Forrester Tel: (519) 238-5297 Fax: (519) 238-5234 Email: Michael@forresterlaw.ca	Lawyers for the Respondent
AND TO:	msi Spergel Inc. 21 King Street West, Suite 1602 Hamilton, Ontario L8P 4W7 Trevor Pringle Email: tpringle@spergel.ca	Proposed Receiver
AND TO:	Sacha Singh 18 Bissland Drive Ajax, Ontario L1Z 0C9 Email: sacha@dandsgroup.ca	Guarantor
AND TO:	9319697 Canada Ltd. 5-120 Midwest Road, Unit 5 Scarborough, Ontario M1P 3B2 Sacha Singh (Director) Email: sacha@dandsgroup.ca	Guarantor

AND TO:	City of Pickering 1 The Esplanade Pickering, Ontario L1V 6K7 Tel: 905-420-4614 Fax: 905-420-5313 Email: propertytaxes@pickering.ca	
AND TO:	The Forty Eight Corporation 60 Marycroft Avenue, Unit 3 Woodbridge, Ontario L4L 5Y5	
AND TO:	New Canadian Capital Inc. 5333 Cosentino Gardens Mississauga, Ontario L4Z 3Z3	
AND TO:	Ministry of Finance Insolvency Unit 33 King Street West, 6 th Floor Oshawa, Ontario L1H 8H5 Email: insolvency.unit@ontario.ca	
AND TO:	Department Of Justice (Canada) Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, Ontario M5H 1T1 Email: AGC_PGC_Toronto.Lead-DCECJ@justice.gc.ca	
AND TO:	Canada Revenue Agency 1 Front Street West Toronto, Ontario M5J 2X6 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca	

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Respondent

I N D E X

Tab	Document
1.	Notice of Application issued December 16, 2024
2.	Affidavit of Ramune Beattie sworn January 3, 2025
A.	Exhibit “A” – Corporate Profile Report of 2465 Brock Rd Development Inc.
B.	Exhibit “B” – Parcel Abstract of 2465 Brock Road, Pickering
C.	Exhibit “C” – Credit Agreement dated June 22, 2023
D.	Exhibit “D” – General Security Agreement dated June 14, 2023
E.	Exhibit “E” – Mortgage registered as Instrument No. DR2240625
F.	Exhibit “F” – Notice of Assignment of Rents registered as Instrument No. DR2240626
G.	Exhibit “G” – Guarantee of Singh dated June 14, 2023

Tab	Document
H.	Exhibit “H” – Guarantee of 9319697 Canada Ltd. dated June 22, 2023
I.	Exhibit “I” – PPSA Search dated December 30, 2024
J.	Exhibit “J” – Execution Certificate dated December 30, 2024
K.	Exhibit “K” – Tax Certificate dated January 2, 2025
L.	Exhibit “L” – Transaction History dated June 2023 – December 2024
M.	Exhibit “M” – Notice of Assessment for Corporate Guarantor issued March 26, 2024
N.	Exhibit “N” – Notice of Default dated June 14, 2024
O.	Exhibit “O” – Payout Statement dated November 1, 2024
P.	Exhibit “P” – Loan Transaction History generated December 24, 2024
Q.	Exhibit “Q” - Demands and NITES dated November 1, 2024
R.	Exhibit “R” – Email from Singh to SZK dated September 27, 2024
S.	Exhibit “S” – Emails from Company’s lawyer to SZK dated November 19, 2024
T.	Exhibit “T” – Email from Company’s lawyer to SZK dated November 29, 2024
U.	Exhibit “U” – Consent to Act as Receiver dated January 2, 2025
3.	Blacklined Receivership Order
4.	Draft Order

TAB 1



Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C.1985, c.B-3 AS AMENDED;

IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990 c.C-43, AS AMENDED

B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

-and-

2465 BROCK RD DEVELOPMENT INC.

Respondent

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

at the following location:

Zoom details to be provided.

before a Judge presiding over the Commercial List on **March 25, 2025 at 10:00am via Zoom**

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: _____ Issued by: _____
Local Registrar
Address of
Court Office: 330 University Avenue, 9th Floor
Toronto, Ontario M5G 1R7

TO: THIS HONOURABLE COURT

AND TO: 2465 BROCK RD DEVELOPMENT INC.
18 Bissland Drive
Ajax, Ontario
L1Z 0C9

APPLICATION

1. The Applicant, Meridian Credit Union Limited (“**Meridian**”), makes an application for, *inter alia*:
 - a. If necessary, an Order abridging the time for service and validating service of this Notice of Application and Application Record in the manner effected by the Applicant so that this Application is properly returnable this day accompanied with an Order dispensing with further service thereof on any party other than those served;
 - b. an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, appointing msi Spergel inc. (“**Spergel**”) as receiver and manager over all the properties, assets, and undertakings of the Respondent substantially in the form attached hereto as Schedule “**A**”; and
 - c. such further and other relief as to this Honourable Court may deem just.

THE GROUNDS FOR THE APPLICATION ARE:

The Applicant

1. The Applicant is a credit union and carries on business in, *inter alia*, Toronto, Ontario.

The Respondent

2. 2465 Brock Rd Development Inc. (the "**Respondent**") is an Ontario business corporation with its registered head office located in Ajax, Ontario.
3. The Respondent is the registered owner of a real property municipally known as 2465 Brock Road, Pickering, Ontario (the "**Brock Road Property**"). The Respondent intends or intended to develop the Brock Road Property by constructing a condominium complex thereon.
4. The Respondent’s sole director is Sacha Singh (“**Singh**”).

The Loan

5. Pursuant to a commitment agreement (the “**Commitment Agreement**”) dated June 22, 2023 and executed June 22, 2023 by Singh on behalf of the Respondent, Meridian agreed to provide the Respondent with a demand loan in the amount of \$13,800,000 for the purpose of paying out two mortgages encumbering the Property (the “**Loan**”).

The Mortgage

6. Pursuant to the terms of the Commitment Agreement, the Loan is secured by a first collateral charge registered on title to the Property in the amount of \$15,250,000 (the “**Mortgage**”). The Mortgage was registered on June 22, 2023 as Instrument No. DR224062.

The Guarantees

7. The Respondent’s indebtedness to Meridian is secured by guarantees provided by both Singh and 9319697 Canada Ltd. (together, the “**Guarantors**”) to Meridian each limited to \$13,800,000.

Other Security

8. The Loan is also secured by, among other things, the following:
- (a) a general security agreement granted by the Respondent in favour of Meridian (the “**GSA**”) which was perfected by registration in the Personal Property Registry; and
 - (b) an assignment of rents and leases with respect to the Property, notice of which was registered on title to the Property as Instrument No. DR2240626 on June 22, 2023 (the “**Assignment of Rents**”).

Contractual Right to Appoint a Receiver

9. Among other rights and remedies, both the Mortgage and the GSA provide for the appointment of a receiver in the event of default of Respondent’s obligations to Meridian.

Default and Demands

10. The Loan matured on June 22, 2024, at the end of a one-year term. It was not repaid. There was no agreement to extend the term.

11. Since June 11, 2024, the Respondent is in default of its obligations to Meridian, such as, *inter alia*:

- (a) it has failed to maintain its day-to-day banking with Meridian;
- (b) it breached its reporting covenants to Meridian going back to 2023; and
- (c) the corporate guarantor 9319697 Canada Ltd. failed to pay its income tax owing and was at least \$68,900 in arrears.

12. A Notice of Default dated June 1, 2024 was delivered by Meridian to the Respondent, the receipt of which was acknowledged by Singh on June 14, 2024.

13. The Respondent also allowed a charge in the principal amount of \$1,500,000 in favour of The Forty Eight Corporation to be registered on the Property, on or about February 8, 2024. Pursuant to the terms of the Credit Agreement, the Respondent was required to obtain written consent of Meridian prior to granting or allowing any lien, charge, privilege or hypothec or other encumbrance, whether fixed or floating, to be registered against any of its assets including, but not limited to, the Property. The Respondent did not obtain the required consent from Meridian.

14. The Respondent also allowed a charge in the principal amount of \$200,000 in favour of New Canadian Capital Inc. to be registered on the Property on or about July 16, 2024. As described above, the Member is required to obtain written consent of Meridian prior to granting or allowing any charge to be registered against any of its assets including, but not limited to, the Property. The Respondent did not obtain the required consent from Meridian

15. After receiving the Notice of Default, the Respondent ceased making Loan payments, such that it failed to make the October 2024 payment and all payments thereafter.

16. As of October 31, 2024, the Respondent was indebted to Meridian in the sum of \$13,924,736.47, exclusive of costs, which indebtedness remains outstanding.

17. On November 1, 2024, Meridian, through its counsel, made demands upon the Respondent and the Guarantors. Meridian declared the entire balance of the Loan to be immediately due and payable, and enclosed Notices of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*.

18. Notwithstanding, the demands having expired on November 18, 2024, the Respondent and the Guarantors have failed or refused to pay any amount to Meridian, and interest continues to accrue at the applicable rates.

Respondent Refused the Offer of Meridian to Forbear

19. On September 5, 2024, Meridian forwarded a proposed Forbearance Agreement to Singh wherein Meridian was prepared to forbear on a temporary basis from enforcing the rights to permit the Respondent to find alternative financing to pay out its indebtedness to Meridian.

20. On September 27, 2024, Singh emailed Meridian's counsel and advised he wanted an "extension" and not a "forbearance", but nonetheless he stated that he was working on a deal which would have the Loan repaid by the end of October.

21. On October 1, 2024, the Respondent failed to make the Loan payment.

22. The Loan was not repaid at the end of October 2024, despite Singh's assurances.

23. Demands were made on November 1, 2024 after Singh and the Respondent failed to enter the proposed Forbearance Agreement.

24. On November 1, 2024, the Respondent failed to make the Loan payment, and therefore the Respondent was two months in arrears.

25. The demand deadline expired on November 18, 2024 without contact from Singh or the Respondent.

26. On November 19, 2024, the Respondent's lawyer advised that Singh's "deal" was still progressing.

27. On November 20, 2024, the Respondent's lawyer advised that the Respondent did not agree with the terms of the proposed Forbearance Agreement.

28. On November 29, 2024, the Respondent's lawyer advised that the Respondent was unable to make the December 1, 2024 Loan payment.

29. On December 1, 2024, the Respondent failed to make the December 1, 2024 Loan payment, becoming three months in arrears.

30. Singh's "deal", which would have paid out Meridian, has failed to materialize.

31. The Respondent has refused and/or ignored Meridian's offer to co-operate in migrating the Loan to another financial institution.

It is Just and Convenient to Appoint a Receiver

32. The Respondent has been and continues to be unable to service the Loan.

33. The Respondent is in default of its payment obligations with respect to the Loan and the Guarantors are default of their payment obligations with respect to their respective guarantees.

34. Meridian has shown considerable patience with the Respondent in permitting various accommodations to the Respondent.

35. Meridian has lost confidence in the ability of the Respondent to repay the Loan. Meridian does not know if the Respondent continues to engage in business. There is no transparency.

36. It is just and convenient in the circumstances to appoint a receiver over the property, assets, and undertakings of the Respondent, with a power to market and sell the Property for the benefit of Meridian and the other stakeholders of the Respondent.

37. Spergel has agreed to act as Receiver.

38. As contained in the Affidavit of Ramona Beattie and the exhibits annexed thereto.

39. The Applicant relies on section 243 of the *Bankruptcy and Insolvency Act*, sections 63, 64 and 65 of the *Personal Property Security Act*, sections 96, 97, 100 and 101 of the *Courts of Justice Act* and Rules 1, 3, 38, 39, 40, 41 and 44 of the *Rules of Civil Procedure*.

40. Such further and other grounds counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING FOR THE APPLICATION:

1. The Affidavit of the Ramono Beattie and the exhibits annexed thereto;
2. the Consent of Spergel to act as Receiver; and
3. such further and other material as counsel may produce and this Honourable court may accept.

Date of Issue: December 12, 2024

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Lawyers for the Applicant

SCHEDULE "A"

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

2465 BROCK RD DEVELOPMENT INC.

Respondent

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Plaintiff 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 capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of 2465 Brock Rd Development Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Ramona Beattie sworn [DATE] and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]

although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; 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, 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 \$250,000.00 (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/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.

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

GENERAL

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

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

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

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

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

DOCSTOR: 17717428

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 **2465 BROCK RD DEVELOPMENT INC.** 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 ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

MSI SPERGEL INC., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

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

MERIDIAN CREDIT UNION LIMITED
Applicant

-and- 2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at
TORONTO

ORDER

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5

JASON D. SPETTER
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Email: jseptter@szklaw.ca

Lawyers for the Applicant

~~Revised: January 21, 2014~~
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE

)

WEEKDAY, THE #

JUSTICE

)

DAY OF MONTH, 20YR

)

PLAINTIFF⁺

Plaintiff

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

DEFENDANT

Defendant

2465 BROCK RD DEVELOPMENT INC.

Respondent

ORDER
(~~appointing~~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 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~~capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~2465 Brock Rd Development Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

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

SERVICE

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

APPOINTMENT

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

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.~~

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,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$ _____, ~~\$50,000.00~~, provided that the aggregate consideration for all such transactions does not exceed \$ _____; ~~\$200,000.00~~; and

~~⁴ This 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.~~

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~for~~ section 31 of the Ontario *Mortgages Act*, as the case may be,~~5~~ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply~~2~~;

- (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

~~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.~~

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.

~~7.~~

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to

the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

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

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

~~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".~~

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 ~~\$~~ \$250,000.00 (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/](#)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<[@](#)>'.

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

GENERAL

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

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

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

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

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

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

DOCSTOR: 17717428

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]~~ 2465 BROCK RD DEVELOPMENT INC. 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 ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~, MSI SPERGEL INC.,
solely in its capacity
-as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

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

MERIDIAN CREDIT UNION LIMITED
Applicant

-and- 2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at
TORONTO

ORDER

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5

JASON D. SPETTER
LSO No. 46105S
Tel: 416-789-0655
Email: jseptter@szklaw.ca

Lawyers for the Applicant

IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,

R.S.C.1985, c.B-3 AS AMENDED;

IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.

1990 c.C-43, AS AMENDED

MERIDIAN CREDIT UNION LIMITED
Applicant

-and- 2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at
TORONTO

NOTICE OF APPLICATION

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5

JASON D. SPETTER
LSO No. 46105S
Tel: 416-789-0655
Email: jseptter@szklaw.ca

Lawyers for the Applicant

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

-and-

2465 BROCK RD DEVELOPMENT 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***

AFFIDAVIT OF RAMUNE BEATTIE

**I, RAMUNE BEATTIE, of the City of Guelph, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Commercial Credit Specialist with Meridian Credit Union Limited (sometimes referred to as "**Meridian**") and the individual responsible for managing the loans of 2465 Brock Rd Development Inc. (the "**Company**"). As such, I have knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge, I have indicated my source of information and do verily believe such information to be true. Where correspondence is adopted as an exhibit, I do verily believe it was sent and received on the date(s) indicated.
2. This Affidavit is sworn in support of an application by Meridian for the appointment of msi Spergel Inc. as receiver for the properties, assets, and undertakings of the Company.

Background

3. Meridian is a credit union and carries on business in Toronto, Ontario amongst other locations.
4. The Company is an Ontario business corporation that has its registered head office located in Ajax, Ontario. Attached hereto as **Exhibit “A”** is a true copy of the Corporation Profile Report obtained from the Ministry of Government Services (Ontario) for the Company dated August 12, 2024.
5. The Company is the registered owner of the property municipally known as 2465 Brock Road, Pickering, Ontario (the “**Brock Road Property**”). The Company intends or intended to develop the Brock Road Property by constructing a condominium complex thereon. A true copy of the parcel abstract for the Brock Road Property is attached hereto as **Exhibit “B”**.
6. As evidenced by the Corporation Profile Report, the Company’s sole director is an individual named Sacha Singh (“**Singh**”).

The Loan

7. Pursuant to a credit agreement dated and executed by Singh on behalf of the Company on June 22, 2023 (the “**Credit Agreement**”), a true copy of which is attached hereto as **Exhibit “C”**, Meridian agreed to provide the Company with a demand loan in the amount of \$13,800,000.00, with interest to accrue thereon at Meridian’s prime rate in effect from time to time (the “**Prime Rate**”) plus 2.20% per annum, for the purpose of paying out two existing mortgages encumbering the Brock Road Property (the “**Loan**”).
8. Pursuant to the Credit Agreement, in the absence of prior demand, the Loan was to be fully repaid within 12 months of the initial advance. The initial advance of the Loan was made on or about June 22, 2023.

Security for the Loan

9. The Company’s indebtedness to Meridian with respect to the Loan pursuant to the Credit Agreement is secured by, among other things, the following:

- i. a General Security Agreement granted by the Company in favour of Meridian dated June 14, 2023 (the “**GSA**”), a true copy of which is attached hereto as **Exhibit “D”**;
 - ii. a first-ranking collateral mortgage granted by the Company in favour of Meridian for the sum of \$15,250,000.00 registered against title to the Brock Road Property on June 22, 2023, as Instrument No. DR2240625 (the “**Mortgage**”), a true copy of which is attached hereto as **Exhibit “E”**;
 - iii. a Notice of Assignment of Rents granted by the Company in favour of Meridian, registered against title to the Brock Road Property on June 22, 2023, as Instrument No. DR2240626, a true copy of which is attached hereto as **Exhibit “F”**, providing notice of a General Assignment of Lease and Rents dated June 14, 2023, granted by the Company in favour of Meridian;
 - iv. a personal guarantee from Singh of the Company’s indebtedness to Meridian in the amount of \$13,800,000.00, a true copy of which is attached hereto as **Exhibit “G”**;
 - v. a corporate guarantee from 9319697 Canada Ltd. (the “**Corporate Guarantor**”) of the Company’s indebtedness to Meridian in the amount of \$13,800,000.00, a true copy of which is attached hereto as **Exhibit “H”**.
10. Meridian registered its security interest contained in the GSA pursuant to the *Personal Property Security Act* in the Province of Ontario, and the Mortgage on the Brock Road Property. Attached hereto as **Exhibit “I”** is a true copy of the Ministry of Government Services Personal Property Security Registration System Enquiry Response Certificate for the Company pulled on December 30, 2024 (the “**PPSA Search**”).
11. Among other rights and remedies, both the Mortgage and GSA provide for the appointment of a receiver in the event of default of the Company’s obligations to Meridian:
- (a) Schedule “B” to the Mortgage states that “when there shall be default under the provisions of these presents the chargee [Meridian] may at such time and from time to time and with or without entry into possession of the charged premises [the Brock Road Property] or any part thereof by writing under its corporate seal appoint a

receiver of the charged premises or any part thereof and of the rents and profits thereof and with or without security”; and

- (b) Paragraph 11(a) of the GSA states that “upon any default under this General Security Agreement, the Lender [Meridian] may ... enforce its rights ... by the appointment ...of a receiver or receivers of all or any part of the Collateral”.

Other Creditors

12. In reviewing the PPSA Search, I note that Meridian and The Forty Eight Corporation are the only parties with a registered security interest against the Company.

13. Based on the property abstract for the Brock Road Property previously attached as Exhibit “B”, I note that the following registrations have been registered on title to the Brock Road Property:

- (a) a Charge registered in favour of Meridian Credit Union Limited in the amount of \$15,250,000.00 dated June 22, 2023, as Instrument No. DR2240625, being the Mortgage;
- (b) a Notice of Assignment of Rents registered in favour of Meridian Credit Union Limited on June 22, 2023, as Instrument No. DR2240626;
- (c) a Charge registered in favour of The Forty Eight Corporation in the amount of \$1,500,000.00 dated February 8, 2024, as Instrument No. DR2296536 (the “**Forty Eight Charge**”);
- (d) a Charge registered in favour of New Canadian Capital Inc. in the amount of \$200,000.00 dated July 16, 2024, as Instrument No. DR2332390 (the “**New Canadian Charge**”); and
- (e) a Notice of Assignment of Rents registered in favour of New Canadian Capital Inc. on July 16, 2024, as Instrument No. DR2332391.

14. Based on an Execution Certificate obtained on December 30, 2024, for the Company in the Regional Municipality of Durham (Oshawa), being Land Registry Office (“**LRO**”) No. 40, which

is where the Brock Road Property is located, there are no executions filed in this LRO against the Company. Attached hereto as **Exhibit “J”** is a true copy of the Execution Certificate.

15. There are currently property tax arrears owing on the Brock Road Property in the amount of \$18,234.39. A true copy of the Tax Certificate for the Brock Road Property dated January 2, 2025, received from the City of Pickering is attached hereto as **Exhibit “K”**. I understand that the property tax arrears take priority to Meridian’s Mortgage, erode the equity in the Brock Road Property, and diminish Meridian’s security.

16. Other than what is set out below, I do not know what amounts are owing to other creditors, including other government priority claims.

The Defaults and Demand

17. In or around June 2024, the Company was in default of its obligations and covenants to Meridian under the Credit Agreement because of, *inter alia*, the following:

- a) the Loan matured at the end of its one-year term on June 22, 2024, the Company failed to repay the Loan upon maturity, and there was no agreement between Meridian and the Company to extend the term of the Loan;
- b) the Company has failed to maintain its day-to-day banking with Meridian, as there has been minimal activity on the Company’s account with Meridian, based on a Transaction History for the said account a true copy of which is attached hereto as **Exhibit “L”**;
- c) the Company has breached certain terms under the “Reporting Covenants” section of the Credit Agreement, including having failed to provide a copy of the rent roll, including details of tenants and lease terms;
- d) the Company has now failed to pay property taxes for the Brock Road Property, such that as of January 2, 2025, there was a balance of \$18,234.39 outstanding relating to property tax arrears, pursuant to the Tax Certificate for the Brock Road Property previously attached hereto as Exhibit “K”;
- e) the Corporate Guarantor failed to pay its income taxes owing and was at least \$68,899.87

in arrears on its income taxes, based on a Notice of Assessment for the Corporate Guarantor issued on March 26, 2024, a true copy of which is attached hereto as **Exhibit “M”**;

- f) the Company allowed the Forty Eight Charge to be registered on the Brock Road Property without the consent of Meridian;
- g) the Company allowed the New Canadian Charge to be registered on the Brock Road Property without the consent of Meridian;
- h) following receipt of the Notice of Default (as defined below), the Company ceased making payments toward the Loan, such that it failed to make the October 2024 payment and all monthly payments thereafter.

18. Paragraph 5 of the “Positive Covenants” section of the Credit Agreement states that the Company will “[o]pen an account with Meridian through which *all* banking activity of the Member [the Company] will be transacted” [emphasis added].

19. Paragraph 8(b)(i) of Schedule “A” of the Credit Agreement states that the Company “shall not, without the prior written consent of Meridian ... grant or allow any lien, charge, privilege, hypothec or other encumbrance ... to be registered against or exist on any of its assets”.

20. Paragraph 8(c) of Schedule “A” of the Credit Agreement states that the Company must keep scheduled property tax payments up to date at all times.

21. Paragraph 13 of Schedule “A” of the Credit Agreement states that an “Event of Default” occurs when, *inter alia*,

- (a) the Company fails to make a payment of interest or principal when due on the Loan;
- (b) there is a breach by the Company of any other term, covenant, or condition contained in the Credit Agreement; and
- (c) any default occurs under any Security Document or under any other Financing Document, as defined in the Credit Agreement.

22. On June 11, 2024, Meridian prepared and delivered a Notice of Default and Reservation of

Rights to the Company (the “**Notice of Default**”), the receipt of which was acknowledged by Singh on June 14, 2024. Attached hereto as **Exhibit “N”** is a true copy of the Notice of Default.

23. As at October 31, 2024, the Company was indebted to Meridian with respect to the Loan in the amount of \$13,924,736.47, exclusive of costs, with interest continuing to accrue at the applicable rate (the “**Indebtedness**”). Attached hereto as **Exhibit “O”** is a true copy of the payout statement from Meridian dated November 1, 2024.

24. By November 1, 2024, the Loan was two months in arrears. The Company delivered its last payment on the Loan on September 1, 2024, thus breaching the terms of the Credit Agreement. The Company has not made a further payment toward the Loan since then to the date of this affidavit. Attached hereto and marked as **Exhibit “P”** is a true copy of the Loan Transaction History generated on December 24, 2024, showing the last payment made on September 1, 2024.

25. By letters dated November 1, 2024, Meridian, through its lawyers, made demands upon the Company, Singh, and the Corporate Guarantor pursuant to their respective obligations under the Credit Agreement and the aforementioned guarantees (the “**Demands**”). Meridian declared the entire amount of the Indebtedness of the Company under the Loan to be immediately due and payable, and enclosed a Notice of Intention to Enforce Security against the Company pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Attached hereto as **Exhibit “Q”** are true copies of the said Demands.

The Company Refused the Offer of Meridian to Forbear

26. On September 5, 2024, Meridian prepared and forwarded a proposed Forbearance Agreement to Singh, as representative of the Company, wherein Meridian was prepared to forbear on a temporary basis from enforcing its rights under the Credit Agreement, GSA, and Mortgage, to permit the Company to find alternative financing to pay out the Indebtedness to Meridian.

27. On September 27, 2024, Meridian’s counsel received an email from Singh, a true copy of which is attached hereto as **Exhibit “R”**, wherein Singh advised that he wanted an “extension” and not a “forbearance”, but nonetheless stated that he was working on a deal with a separate company for a joint-venture that would close by the end of October 2024 and would therefore allow him to pay the Loan in full at that time (the “**JV Deal**”).

28. The sequence of events that followed the above-noted email from Singh further indicated that the Company did not intend to make any payment on the Loan to Meridian:

- (a) on October 1, 2024, the Company failed to make the Loan payment for October 2024;
- (b) the Loan was not repaid at the end of October 2024 despite Singh's assurance that it would be (as promised in the September 27, 2024, email);
- (c) the Company did not enter the proposed Forbearance Agreement even after Meridian sent the Demands;
- (d) on November 1, 2024, the Company failed to make the Loan payment for November 2024;
- (e) the deadline for the Demands expired on November 18, 2024, without contact from the Company or Singh as representative of the Company;
- (f) the Company's lawyer advised counsel for Meridian in two different emails dated November 19, 2024, true copies of which are attached hereto as **Exhibit "S"**, that the JV Deal was still progressing and that the Company did not agree with the terms of the proposed Forbearance Agreement;
- (g) the Company's lawyer advised counsel for Meridian in an email on November 29, 2024, attached hereto as **Exhibit "T"**, that the Company was unable to make the December 1, 2024, payment on the Loan; and
- (h) on December 1, 2024, the Company failed to make the December 2024 payment on the Loan to Meridian, becoming three months in arrears on the Loan.

29. The JV Deal, from which the Company would pay out Meridian, has failed to materialize to date. The Company has refused and/or ignored Meridian's offer to co-operate in migrating the Loan to another financial institution.

It is Just and Convenient to Appoint a Receiver

30. The Company has been and continues to be unable to service its commitments to Meridian under the Credit Agreement and is in default of its payment obligations along with several other obligations with respect to the Loan and Credit Agreement.

31. The Mortgage and the GSA each expressly provide for the appointment of a receiver or receiver and manager in the event of default.

32. Meridian has shown considerable patience with the Company in permitting various accommodations to the Company including negotiation of a possible Forbearance Agreement, which the Company has rejected, and waiting for the JV Deal to materialize, which has not occurred to date.

33. Meridian has lost confidence in the ability of the Company to repay its commitments or to operate the business. Meridian does not know whether the Company continues to engage in business. There is no transparency on the part of the Company.

34. It is just and convenient in the circumstances to appoint a receiver of the properties, assets, and undertakings of the Company, with a power to market and sell the Brock Road Property and the business of the Company, for the benefit of Meridian and the other stakeholders of the Company. This will also provide all stakeholders with an orderly, transparent, and court-supervised sale process, conducted by an even-handed officer of the court, in order to maximize return for all stakeholders.

35. Meridian proposes that msi Spergel Inc. be appointed as the receiver and manager. Msi Spergel Inc. has agreed to accept the appointment, a true copy of its consent is attached hereto as **Exhibit “U”**.

This is **Exhibit “A”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19



Profile Report

2465 BROCK RD DEVELOPMENT INC. as of August 12, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2465 BROCK RD DEVELOPMENT INC.
Ontario Corporation Number (OCN)	2781555
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	October 02, 2020
Registered or Head Office Address	18 Bissland Drive, Ajax, Ontario, L1Z 0C9, Canada

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

V. Quintanilla W.

Director/Registrar

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

Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name SACHA SINGH
Address for Service 18 Bissland Drive, Ajax, Ontario, L1Z 0C9, Canada
Resident Canadian Yes
Date Began October 02, 2020

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

V. Quintanilla W.

Director/Registrar

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

Active Officer(s)

There are no active Officers currently on file for this corporation.

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

V. Quintanilla W.

Director/Registrar

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

Corporate Name History

Name

2465 BROCK RD DEVELOPMENT INC.

Effective Date

October 02, 2020

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

V. Quintanilla W.

Director/Registrar

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

Additional historical information may exist in paper or microfiche format.

Active Business Names

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

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

V. Quintanilla W.

Director/Registrar

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

Expired or Cancelled Business Names

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

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

V. Quintanilla W.

Director/Registrar

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

Document List

Filing Name	Effective Date
Annual Return - 2024 PAF: MICHAEL FORRESTER	February 08, 2024
Annual Return - 2022 PAF: MICHAEL FORRESTER	February 08, 2024
Annual Return - 2023 PAF: MICHAEL FORRESTER	February 08, 2024
Annual Return - 2021 PAF: MICHAEL FORRESTER	February 08, 2024
Annual Return - 2020 PAF: MICHAEL FORRESTER	February 08, 2024
BCA - Articles of Incorporation	October 02, 2020

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

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

V. Quintanilla W.

Director/Registrar

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

This is **Exhibit “B”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

LAND
 REGISTRY
 OFFICE #40

26408-0420 (LT)

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

PROPERTY DESCRIPTION: PT LT 18 CON 3 PICKERING AS IN CO218530 EXCEPT PT 1, EXPROP PL 260 AND EXCEPT PT 1 PLAN 40R25886; CITY OF PICKERING

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
 LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 26408-0022

PIN CREATION DATE:

2010/12/06

OWNERS' NAMES

2465 BROCK RD DEVELOPMENT 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 2010/12/06 **</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 * 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 IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2000/02/21 **</p>						
CO94360	1961/05/17	BYLAW				C
REMARKS: PLANNING ACT FOR SUBDIVISION CONTROL DELETED UNDER DR116972 *AS TO PIN 26409-0006 *ADDED 2003 01 06 BY DONNA WARREN						
DR429825	2005/09/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: AIRPORT ZONING REGULATIONS						
DR557489	2006/11/14	TRANS PERSONAL REP		*** DELETED AGAINST THIS PROPERTY *** PISTRITTO, PAOLO PISTRITTO, ENRICO PISTRITTO, CONCETTO PISTRITTO, MARIO	PISTRITTO, PAOLO PISTRITTO, ENRICO PISTRITTO, CONCETTO PISTRITTO, MARIO	
DR1078884	2012/04/18	TRANSFER		*** COMPLETELY DELETED *** PISTRITTO, CONCETTO PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, PAOLO	PISTRITTO, CONCETTO PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, PAOLO	
DR1946057	2020/11/16	TRANSMISSION-LAND		*** 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 #40

26408-0420 (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
DR1946058	2020/11/16	TRANS PERSONAL REP		PISTRITTO, PAOLO *** COMPLETELY DELETED ***	PISTRITTO, CONCETTA PISTRITTO, PAOLO - ESTATE	
DR1946105	2020/11/16	TRANSFER	\$12,470,000	PISTRITTO, CONCETTA PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, CONCETTA	PISTRITTO, CONCETTA 2465 BROCK RD DEVELOPMENT INC. <i>see logs</i>	C
DR1946106	2020/11/16	CHARGE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	PISTRITTO, CONCETTO PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, CONCETTA	
DR1959626	2020/12/29	CHARGE		*** COMPLETELY DELETED *** SINGH, SACHA 2465 BROCK RD DEVELOPMENT INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
DR1959627	2020/12/29	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** SINGH, SACHA 2465 BROCK RD DEVELOPMENT INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
		REMARKS: ASSIGNS DR1959626				
DR2035879	2021/08/04	CHARGE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
DR2037500	2021/08/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
		REMARKS: DR1959626.				
DR2070011	2021/11/12	CHARGE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	JRJF GROUP CORP.	
DR2070343	2021/11/12	POSTPONEMENT		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA	JRJF GROUP CORP.	
		REMARKS: DR2035879 TO DR2070011				
DR2072300	2021/11/18	NOTICE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	PISTRITTO, CONCETTO PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, CONCETTA	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<i>REMARKS: DR1946106</i>						
DR2075088	2021/11/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
<i>REMARKS: DR2035879.</i>						
DR2080365	2021/12/13	CHARGE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
DR2085417	2021/12/30	CHARGE		*** COMPLETELY DELETED *** SINGH, SACHA 2465 BROCK RD DEVELOPMENT INC.	JRJF GROUP CORP.	
DR2085475	2021/12/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
<i>REMARKS: DR2080365.</i>						
DR2136134	2022/05/25	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2465 BROCK RD DEVELOPMENT INC. SINGH, SACHA	JRJF GROUP CORP.	
DR2136135	2022/05/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** JRJF GROUP CORP.		
<i>REMARKS: DR2085417.</i>						
DR2189248	2022/11/15	NOTICE		*** DELETED AGAINST THIS PROPERTY *** 2465 BROCK RD DEVELOPMENT INC. SINGH, SACHA	JRJF GROUP CORP.	
<i>REMARKS: DR2136134</i>						
DR2202251	2023/01/06	NOTICE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	JRJF GROUP CORP.	
<i>REMARKS: TO BE DELETED UPON THE DELETION OF DR2070011</i>						
DR2202252	2023/01/06	POSTPONEMENT		*** COMPLETELY DELETED *** JRJF GROUP CORP.	JRJF GROUP CORP.	
<i>REMARKS: DR2136134, DR2189248 TO DR2202251</i>						
DR2240573	2023/06/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** PISTRITTO, CONCETTO PISTRITTO, ENRICO PISTRITTO, MARIO PISTRITTO, CONCETTA		
<i>REMARKS: DR1946106.</i>						

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

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26408-0420 (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
DR2240583	2023/06/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** JRJF GROUP CORP.		
		REMARKS: DR2070011.				
DR2240584	2023/06/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** JRJF GROUP CORP.		
		REMARKS: DR2136134.				
DR2240625	2023/06/22	CHARGE	\$15,250,000	2465 BROCK RD DEVELOPMENT INC.	MERIDIAN CREDIT UNION LIMITED	C
DR2240626	2023/06/22	NO ASSGN RENT GEN		2465 BROCK RD DEVELOPMENT INC.	MERIDIAN CREDIT UNION LIMITED	C
		REMARKS: DR2240625				
DR2259602	2023/08/31	CHARGE		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	GREENPATH CAPITAL PARTNERS INC.	
DR2259603	2023/08/31	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2465 BROCK RD DEVELOPMENT INC.	GREENPATH CAPITAL PARTNERS INC.	
		REMARKS: DR2259602				
DR2296536	2024/02/08	CHARGE	\$1,500,000	2465 BROCK RD DEVELOPMENT INC.	THE FORTY EIGHT CORPORATON	C
DR2296643	2024/02/09	DISCH OF CHARGE		*** COMPLETELY DELETED *** GREENPATH CAPITAL PARTNERS INC.		
		REMARKS: DR2259602.				
DR2332390	2024/07/16	CHARGE	\$200,000	2465 BROCK RD DEVELOPMENT INC.	NEW CANADIAN CAPITAL INC.	C
DR2332391	2024/07/16	NO ASSGN RENT GEN		2465 BROCK RD DEVELOPMENT INC.	NEW CANADIAN CAPITAL INC.	C
		REMARKS: DR2332390				

This is **Exhibit “C”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Business Banking Centre – Greater
Toronto Area (GTA)
50 Ronson Drive Unit 155
Toronto, ON
M9W 1B3
MeridianCU.ca

Meridian™

June 22, 2023

2465 Brock Rd Development Inc.
18 Bissland Drive
Ajax, Ontario
L1Z 0C9

Attention: Mr. Sacha Singh

Re: Credit Agreement

On the basis of the financial and other information provided to us, Meridian Credit Union Limited ("**Meridian**") has authorized the following credit facilities ("**Credit Facilities**") on the terms and conditions set out below.

This agreement ("**Credit Agreement**") and the other Financing Documents constitute the entire agreement between you and us pertaining to the credit facilities and supersedes all prior correspondence, agreements, negotiations, discussions and understandings, whether written or oral. This Credit Agreement may not be amended except by an agreement in writing that makes express reference to this agreement and is signed by you and us.

The attached Schedule A is an integral part of this Credit Agreement. Capitalized terms used and not otherwise defined shall have the meanings set out in Schedule A.

BORROWER: 2465 Brock Rd Development Inc. ("**Member**")

GUARANTORS: 9319697 Canada Ltd. ("**Corporate Guarantor**")
Sacha Singh ("**Individual Guarantor**")
(Individual Guarantor and Corporate Guarantor, each a Guarantor and collectively, the "**Guarantors**")

CREDIT FACILITIES AND AUTHORIZED AMOUNTS:	1. Demand Loan	To a maximum of	\$13,800,000
	Land		

PURPOSE: 1. Demand Loan Land To provide 1st Mortgage Land Financing in the amount of \$13,800,000. The loan is to refinance the existing Vendor Take-back (VTB) debt and 2nd Mortgage financing on 2465 Brock Road in Pickering, Ontario (the "Property/Property"), fund an Interest Reserve in the amount of \$1,235,948 and the loan closing costs of \$248,400 for the subject loan. The Member intends to develop 376 condominium residential units and a retail/commercial space at grade for GFA of 288,441 sf.

Sources	Amount	Uses	Amount
Meridian Loan	\$ 13,800,000	Repay VTB Loan	\$ 9,840,652
		Repay 2nd Mortgage Financing	\$ 2,475,000
		Loan Closing Fees	\$ 248,400
		Interest Reserve	\$ 1,235,948
Total	\$ 13,800,000	Total	\$ 13,800,000

REPAYMENT: All Credit Facilities are available on a demand basis only and Meridian may terminate the Credit Facilities at any time. Any prepayment shall be subject to the provisions of Schedule A.

1. Demand Loan Land Interest only to be paid on a monthly basis from the Interest Reserve account to be held at Meridian.

In the absence of prior demand, the loan shall be fully repaid within 12 months of the initial advance.

Interest on Facility 1 shall accrue at the Interest Rate. Until the Interest Reserve of \$ 1,235,948 is fully utilized and prior to default, Meridian will capitalize interest accrued at the first day of each month. Such capitalized interest shall bear interest at Interest Rate. Meridian reserves the right at its sole discretion to stop advancing from Interest Reserve account, in the event of delays to Site Plan Approval process, in which event all monthly interest must be paid by the Member as billed by Meridian. Upon full utilization of the Interest Reserve, interest will be paid by way of pre-authorized debits to the Member's Project account.

Subject to there having been no default by the Member or the Guarantor during the original term of the loan, two, three (3) month extensions may be granted subject to Meridian's approval, payment of the Extension Fee and full covering interest reserves.

INTEREST RATES: Interest on the daily principal balance of the Credit Facilities shall be paid monthly in arrears, unless otherwise specified, computed daily, compounded monthly, and accrue at an annual rate equal to:

1. Demand Loan Land Prime Rate plus 2.20% per annum, subject to a minimum all-in floor rate of 6.25% per annum.

Meridian's Current Prime Rate is 6.95% per annum.

CREDIT FEES: Annual Renewal Fee: An Annual Administration Fee of \$2,500 is payable within 120 days following each fiscal year end for review of the account.

Extension Fee: An Extension Fee of 25 bps (\$34,500) of authorized loan amount for a three (3) months extension. One three months extension may be permitted subject to Meridian's approval.

Arrangement Fee: \$138,000 of which \$13,800 has previously been collected and remaining is payable upon signed acceptance of this Credit Agreement.

Additional Fees: Covenant Breaches/Late Reporting/Events of Default – will each be subject to a minimum fee to be determined by Meridian, per occurrence where such condition has not previously been approved by Meridian in writing.

Amendment Fee: Amendments to any Credit Agreement, as requested by the Member, will be subject to a minimum fee to be determined by Meridian per request, subject to the complexity and circumstances of each request as mutually agreed upon between the Member and Meridian.

EXPENSES: The Member shall pay all reasonable legal fees and disbursements in respect of this Credit Agreement, the preparation, issuance, amendment, renewal or extension of the Security Documents, the enforcement and preservation of Meridian's rights and remedies, and all reasonable fees and costs relating to appraisals, insurance consultation, credit reporting and responding to demands of any government or any agency or department thereof, whether or not the documentation is completed or any funds are advanced under this Credit Agreement.

SECURITY: The present and future indebtedness and liability of the Member to Meridian shall be secured by the following security, evidenced by documents in form satisfactory to Meridian (collectively, the 'Security Documents') registered or recorded as required by Meridian in First Position (unless specifically noted or consented to otherwise), and provided prior to any advances or availability being made under this Credit Agreement:

- 1) General Security Agreement registered in First Position over all present and future personal property of 2465 Brock Rd. Development Inc.
- 2) Collateral Mortgage for \$15,250,000 registered in First Position in the name of 2465 Brock Rd. Development Inc. on the Property and buildings located at 2465 Brock Road in Pickering, Ontario. Pin No. 26408-0420: PT LT 18 CON 3 PICKERING AS IN CO218530 EXCEPT PT 1, EXPROP PL 260 AND EXCEPT PT 1 PLAN 40R25886 CITY OF PICKERING

Notwithstanding the face amount of the Collateral Mortgage being registered as Security, the Member acknowledges that the Lender has made no commitment to provide additional funding.

- 3) Assignment of Rents and Leases on the Property and buildings located at 2465 Brock Road in Pickering, Ontario.



- 4) Guarantee and Postponement of Claim in favour of Meridian in the amount of \$13,800,000 provided by Sacha Singh.
- 5) Title Insurance acceptable to Meridian.
- 6) Postponement of all shareholder and related company loans, if any.
- 7) Environmental Undertaking and Indemnity executed by the Member and Guarantors.
- 8) Evidence of Comprehensive General Liability Insurance for a minimum of amount as suggested by an insurance consultant with Meridian shown as Additional Insured.
- 9) Evidence satisfactory to Meridian that all insurance policies are satisfactory and complies with the Commitment and in respect of which an independent insurance consultant retained by the Lender shall have provided a written report to the Lender confirming the same.
- 10) Anti-Money Laundering Compliance Documentation to be provided by the Member as follows:
 - a) Client Information Form (the identification of all authorized signatories as outlined on the Directors' Resolution, to a maximum of three must be obtained, including but not limited to any individual who has executed the security on behalf of the Borrower).
 - b) Certified Copy of the Articles of Incorporation.
 - c) Certified Copy of the Authority to Bind Provisions (execution of contracts section of the general by-law or directors' resolution).
 - d) Current Certificate of Status (Provincial Corporation) or Certificate of Compliance (Federal Corporation).
 - e) Current Certificate of Incumbency listing the Corporation's officers and directors.
- 11) Guarantee and Postponement of Claim in favour of Meridian in the amount of \$13,800,000 provided by 9319697 Canada Ltd. together with authorizing resolution supported by Second Position General Security Agreement providing a charge over all present and after acquired assets of 9319697 Canada Ltd.
- 12) Letter of Undertaking from Sacha Singh & 9319697 Canada Ltd. to provide the CPA prepared compilation engagement Financial Statements for the last three years no later than July 31, 2023 and T2 Corporate Tax Return filing no later than August 31, 2023, otherwise an Event of Default will have been deemed to have occurred.
- 13) Such other security documentation as deemed appropriate upon further review by Meridian and Meridian's Legal Counsel.

CONDITIONS: The availability of the Credit Facilities is contingent upon compliance and satisfaction of each of the following conditions and covenants together with those set out in the Security Documentation and Schedule A:

Conditions
Precedent:

Meridian shall have received each of the following:

- 1) Duly executed copy of this Credit Agreement.
- 2) All the Security Documents duly authorized, executed and delivered and registered or recorded as Meridian may require.

- 3) Such financial and other information or documents relating to the Member as Meridian may reasonably require.
- 4) Payment of the Arrangement Fee.
- 5) Meridian will have received a policy of title insurance satisfactory to Meridian.
- 6) A Planning Opinion prepared by a planning consultant satisfactory to Meridian, confirming the that the proposed uses, projected densities and heights of the Project and projected timeline for Site Plan Approval are considered reasonable and achievable within 12 months. Meridian to be satisfied in their sole discretion with the Opinion and the development status of the Project.
- 7) Review and approval of a preliminary budget for the development of Property prepared by the a cost consultant acceptable to Meridian (the "Project Budget").
- 8) Review and approval of all insurance policies as stipulated under Security by Meridian's insurance review consultant.
- 9) A current Survey prepared by a licensed and qualified surveyor, showing the lots lines and the lot is free from all encroachments, easements and registered restrictions.
- 10) A current market value Appraisal Report acceptable to Meridian and prepared by an independent AACI appraiser pre-approved by Meridian indicating an "As Is" value of not less than \$ 27,600,000. The Member is responsible for the Appraisal Report fees.
- 11) Letter of Transmittal from the Appraiser confirming the Appraisal Report may be relied upon by Meridian.
- 12) A Phase I/II/III – Environmental Site Assessment (ESA) Report for the real property located at 2465 Brock Road in Pickering, Ontario prepared by an external consultant pre-approved by Meridian. The contents and the conclusions of the report must be acceptable to Meridian. The Member is responsible for the payment of all charges relative to the preparation of the report.
- 13) Reliance Letter from the external consultant confirming the ESA report may be relied upon by Meridian.
- 14) A Geotechnical Investigation Report for the real property located at 2465 Brock Road in Pickering, Ontario prepared by an Engineering firm acceptable to Meridian, confirming the suitability of the site for the proposed development.
- 15) Reliance Letter from the external consultant confirming the Geotechnical Investigation Report may be relied upon by Meridian.
- 16) Updated Personal Financial Statements for the Individual Guarantor(s), as requested, with supporting documentation confirming asset & liability values and verifying income.
- 17) Compilation Engagement Report financial statements of the Member prepared by acceptable independent Chartered Professional Accountants for the last two years.
- 18) Receipt and satisfactory due diligence and review of original and fully executed Purchase and Sale Agreements pertaining to the Project lands with respect to the original acquisitions of 2465 Brock Road in Pickering, Ontario confirming a total land acquisition cost of \$ 12,470,000.
- 19) Corporate Tax Returns of the Member and any Corporate Guarantor and personal Tax Returns for any individual Guarantor for the last two years together with CRA Notices of Assessment confirming all Taxes are paid up-to-date.
- 20) Details of cost incurred to date and cost to complete breakdown for the SPA and building permit related cost shall be required.



- 21) Evidence that CEGP Consultants Ltd. is in good standing with The Association of Professional Geoscientists of Ontario regulatory body and Canadian Environmental Certificate Approvals Board.
- 22) CEGP Consultants Ltd. to provide an insurance certificate with evidence of professional liability coverage of at least \$2,000,000 per occurrence.
- 23) The most recent Realty Taxes bill and evidence of payment thereof and that all realty Taxes levied against the Property are current;
- 24) Confirmation that \$ 1,000,000 loan as appearing on the latest financial statement from 9319697 Canada Ltd. is from related entity and is subordinated to Meridian Loan.

Disbursement Conditions: Funds under the Credit Facilities shall only be disbursed upon satisfaction of each of the following conditions:

Facility #1

- 1) Subject to full pay out / discharge of VTB mortgage and 2nd Mortgage charge which are currently registered on title of the Property.
- 2) Initial drawdown to be completed on or before June 30, 2023.

In the event that the first advance of funds is not made for any reason whatsoever on or before that date, at the option of Meridian, its obligations under this Commitment shall cease and it shall be released of any present or further obligations. Notwithstanding the foregoing, the Member and Guarantor shall remain liable for any outstanding fees and costs as set out herein.

- 3) Meridian's Solicitor is to sub search title at the time of draw at the expense of the Member, and there shall be no liens or encumbrances prior to Meridian's security or subsequent thereto unless Meridian has given its prior approval.
- 4) Disbursement is subject to inspection of the Project by a representative of Meridian.
- 5) The right of the Member to obtain the initial drawdown under the Credit Facilities is subject to the Disbursement Condition that there shall not have been any material adverse changes in the financial condition of the Member or any Guarantor of the Member or the environmental condition of the Real Property
- 6) Meridian to be satisfied with the cash/liquidity position of the Member/Group prior to funding based on current bank and/or brokerage account statements.

Reporting Covenants - The Member shall provide Meridian with each of the following:

Description	Frequency	Timing of Receipt (days)
1. Financial Statements as at the Member's fiscal year end, prepared by a Chartered Professional Accountant on a Compilation Engagement Report basis.	Annual	120
2. Annual confirmation that property taxes are current through copy of a paid Tax Receipt of interim billing showing no arrears amount.	Annual	120

3. Annual confirmation of valid insurance coverage as stipulated under Security through copy of Certificate of Renewal.	Annual	120
4. Annual Rent Roll including details of tenants, lease terms (amounts, renewals, expiry) and arrears, if any, within 120 days of fiscal year end	Annual	120
5. Updated Personal Financial Statements for the individual Guarantors, as requested, with supporting documentation confirming asset and liability values and verifying income.	As Requested by Meridian	
6. Project Status Update regarding Site Plan Application / Municipal Approvals as requested by Meridian no more frequently than quarterly.	As Requested by Meridian	
7. Financial Statements as at the Corporate Guarantor's fiscal year end, prepared by a Chartered Professional Accountant on a Compilation Engagement Report basis.	Annual	120

Positive Covenants - The Member and the Guarantors will:

1. Promptly notify Meridian of any material issues impacting the Property.
2. Promptly notify Meridian of any adverse consequences on-site linked to the soil and / or groundwater.
3. Provide Meridian to have the right to erect financing signs at the site.
4. Along with the Guarantors are to ensure that any Construction Liens or other actions registered against the property are cleared from title immediately from their own resources.
5. Open an account with Meridian through which all banking activity of the Member will be transacted, including all revenues from the secured Property.
6. Provide Meridian with a Right of First Refusal to provide construction financing for the Project.
7. Additionally, See Schedule "A" Credit Covenants (a).

Negative Covenants - The Member and the Guarantors shall not, without the prior written consent of Meridian:

1. Incur third party debt. This condition applies to the Member(s) only.
2. Sell or transfer the Property herein secured or any change in ownership of the Member.
3. Create, incur, assume or permit the existence of any other financing or liens related to the Project.
4. Withdraw equity or profit from the Project.
5. The Corporate Guarantor will not incur any further incumbrances, except for the advised Bank of Montreal registered PPSA first position General Security Agreement to the maximum extent of \$450,000, without prior written consent of Meridian.
6. Additionally, See Schedule "A" Credit Covenants (b).

EVENTS OF DEFAULT

See Schedule A.

Kindly indicate your acceptance of this Credit Agreement by signing and returning to us the enclosed duplicate of this letter by no later than June 28, 2023 at which point this letter and all agreements contained herein shall become null and void.

Yours truly,

MERIDIAN CREDIT UNION LIMITED



Dipenkumar Thakkar
Senior Relationship Manager



for Kanwar Singh
Director & Team Lead



Will the above Credit Facilities be used on behalf of or by a third party? No Yes
(if Yes has been checked please ensure that a New Product Form – Business is completed)

ACKNOWLEDGEMENT:

The arrangements set out above are hereby acknowledged and accepted by:

2465 Brock Rd Development Inc.



Signature of Authorized Officer
(I have the authority to bind the Corporation)

SACHA SINGH PRESIDENT
Name/Title

June 22/23
Date

Signature of Authorized Officer
(I have the authority to bind the Corporation)

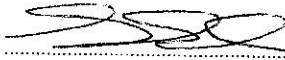
Name/Title

Date

GUARANTORS:

Each of the Guarantors hereby acknowledges and confirms that it understands all the terms & conditions contained therein with respect to its respective Guarantee and Postponement of Claim:

9319697 Canada Ltd.



Signature of Authorized Officer
(I have the authority to bind the Corporation)

SACHA SINGH PRESIDENT
Name & Title


June 22/23
Date

Signature of Authorized Officer
(I have the authority to bind the Corporation)

Name & Title

Date

Sacha Singh



Sacha Singh
Guarantor Signature

June 22/23
Date

SCHEDULE "A" TO CREDIT AGREEMENT

The Credit Facilities as described in the Credit Agreement shall be governed by the following terms and conditions:

Definitions

For the purpose of the Credit Agreement, the following terms shall have the meanings indicated below:

"Acceptable Inventory" means the lower of cost or net realizable value, as determined by Meridian from a review of the most recent financial statements and inventory declaration provided by the Member, of all materials owned by the Member for resale or for production of goods for resale, as defined by GAAP, over which the security constituted by the Security Documents shall rank as a valid first mortgage, first ranking transfer or first security interest and which is not subject to any security interest or other encumbrance or any other right or claim which ranks or is capable of ranking in priority to the security constituted by the Security Documents including, without limitation, rights of unpaid suppliers under the *Bankruptcy and Insolvency Act* (Canada) to repossess inventory within thirty (30) days after delivery.

"Acceptable Receivables" means the aggregate of accounts receivable of the Member, as defined by GAAP, and as determined by the most recent financial statements and/or aged list of accounts receivable of the Member, over which the security constituted by the Security Documents shall rank as a valid first assignment or first security interest, from customers approved by Meridian.

"Business Day" means a day upon which Meridian is open for business.

"COF Rate" means the fixed annual rate of interest established and recorded as such by Meridian from time to time as being the aggregate cost of the requested funds on an annual fixed rate basis for a period of 30, 60, 90, or 180 days or 1, 2, 3, 4, 5 or greater than 5 years, as selected by the Member (but maturing not later than the final date for payment of the subject Loan, in any event), including dealer commissions and such reserves as are applicable.

"Credit Agreement" means the letter from Meridian to the Member to which this Schedule is attached, together with this Schedule, and includes all amendments and replacements thereof.

"Environmental Disclosure Reports" means any and all reports, assessments, studies and tests with regard to any Hazardous Substances that have been Released, discharged or disposed of on, in, under or adjacent to the Property, including, without limitation, sample data and historical use reviews relating to the environmental condition of the Property and properties adjacent thereto.

"Environmental Laws" means any and all federal, provincial, municipal, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, licenses, agreements or other governmental restrictions having the force of law and any amendments thereto relating to the environment, land use, occupational health and safety, health protection or environmental conditions relating to Hazardous Substance.

"Financing Documents" means the present Credit Agreement, the Visa Business Card Agreement, the Visa Business Card Fee and Rate Agreement, the Security Documents and all other documents, instruments, certificates and contracts that the Member or an officer of the Member [or a Guarantor or an officer of a Guarantor] has signed and delivered in accordance herewith, directly or indirectly, or which are mentioned or contemplated in these presents or in such documents, instruments, certificates or contracts.

"GAAP" means, generally accepted accounting principles in effect in Canada from time to time applied consistently, including the International Financial Reporting Standards.

"Government Authority" means any government legislature, regulatory authority, agency, commission, board or court or other law, regulation or rule making entity having or purporting to have jurisdiction on behalf of any nation, state, country or other subdivision.

"Hazardous Substance(s)" means any pollutant or contaminant or hazardous, dangerous, regulated or toxic chemical, material or substance in such form and amount as is defined as "hazardous", "toxic" or "dangerous" within the meaning of any Environmental Laws and any amendments thereto, relating to or imposing liability or standards of conduct concerning any such hazardous, toxic substances and vapors, radioactive substances, liquid or industrial waste, Release, pollutants or dangerous waste, including without limitation, any substance or material that is actually, or allegedly to be, harmful to human life, animal life, or vegetation or any other portion of the environment.

"Legal Requirement" means all laws, statutes, codes, ordinances, orders, awards, judgments, decrees, injunctions, rules, regulations, authorizations, consents, approvals, orders, permits, franchises, licenses, directions and requirements of any Governmental Authority.

"Loan Confirmation Letter" means a letter issued by Meridian to confirm the particulars of a given loan, including, *inter alia*, the interest rate and monthly payment obligations.

"Personal Property" has the meaning given to that term in the Personal Property Security Act (Ontario) and includes chattel paper, documents of title, goods, instruments, intangibles, money, investment property and fixtures but does not include building materials that have been affixed to real property.

"Potential Preferred Claims" means, at any time and from time to time, all claims secured by a lien created by or arising under statute or regulation or arising under common law without the explicit consent of the obligor, which rank or are capable of ranking prior to or *pari passu* with the security constituted by the Security Documents against all or any part of property and assets secured thereby, whether then existing or, in Meridian's sole judgment, likely to arise including, without limitation, claims on amount of unremitted source deductions, income tax, goods and services tax, sales tax, workers compensation premiums, director liabilities and such other claims given priority to the claims of secured creditors or excluded from the property of a bankrupt divisible among creditors under the *Bankruptcy and Insolvency Act* (Canada).

"Prime Rate" means the floating annual rate of interest established and recorded as such by Meridian from time to time as a reference rate for purposes of determining rates of interest it will charge on loans denominated in Canadian dollars.

"Property" for the purpose of this Schedule "A" means any and all real properties secured by a registered charge/mortgage of land in favour of Meridian.

"Release(d)" means discharge, spray, inject, deposit, spill, leak, seep, pour, emit, empty, dispose, dump, escape, leach, disperse, migrate or exhaust into the environment, and when used as a noun (as applicable) has a similar meaning.

"US Base Rate" means the annual rate of interest established and recorded as such by Meridian from time to time as a reference rate for purposes of determining rates of interest it will charge on loans denominated in United States dollars.

"Business Visa Credit Card Agreement" means the Meridian Business Visa Card Agreement between Member, each Guarantor (if any), Meridian (including, without limitation, its successors and assigns) and others named therein as parties thereto, as such agreement may be amended, restated, supplemented or replaced from time to time in accordance with its terms.

"Business Visa Application and Disclosure Agreement" means the document executed by the Member and others named as parties thereto that (i) discloses certain interest rates, grace period, minimum payments, foreign currency conversion fees and certain other fees and (ii) includes certain terms and conditions and privacy notices and consents, as such document may be amended, restated, supplemented or replaced from time to time in accordance with its terms and this Schedule "A".

1. **Governing Law**

This Credit Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Member and each Guarantor (if any) attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

2. **Currency**

All dollar amounts expressed in this Credit Agreement shall refer to Canadian dollars unless otherwise specified.

3. **Currency Indemnity**

Loans denominated in Canadian currency must be repaid with Canadian currency and loans denominated in United States currency must be repaid in United States currency and the Member shall indemnify Meridian for any loss suffered by Meridian if a loan denominated in United States currency is repaid with Canadian currency or vice versa, whether or not such payment is made pursuant to an order of a court or otherwise.

4. **Evidence of Indebtedness**

Meridian's accounts, books, and records constitute, in absence of manifest error, conclusive evidence of the advances made under all Credit facilities, repayments on account thereof and the indebtedness of the Member and each Guarantor (if any) to Meridian.

5. **Authorization**

The Member for good and valuable consideration authorizes Meridian to accept telecopier and electronic communications on behalf of the Member as full and sufficient authority to act in accordance with communications as received by Meridian from the Member.

The Member shall be bound by all such telecopier and electronic communications from itself in the same manner and extent as if such communications were originally handwritten and signed by the Member, and the Member at all times save harmless, indemnify and defend Meridian from and against all claims, demands and losses, contingent or otherwise in respect of all such instructions, in the event such telecopier and electronic communications, were made without authority or otherwise.

6. **Interest, Fees and Payment**

- (a) Interest on the daily balance of principal advanced under the Credit Agreement and remaining unpaid from time to time shall be payable by the Member as set out in the Credit Agreement both before and after maturity or demand, default and judgment.

At the discretion of Meridian, each payment under the Credit Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of outstanding principal in inverse order of maturity.

- (b) The fees collected by Meridian shall be its property as consideration for the time, effort and expense incurred by it in the review of documents and financial statements, and the Member acknowledges and agrees that the determination of these costs is not feasible and that the fees set out in the Credit Agreement represent a reasonable estimate of such costs.
- (c) The Member shall pay all fees and expenses in connection with the preparation, registration and ongoing administration of the enforcement of Meridian's rights and remedies under this Credit Agreement effective from the date which is five (5) Business Days, following notification. The Member will pay interest on unpaid amounts due for all costs and expenses pursuant to this paragraph at an annual rate equal to Meridian's Prime Rate plus five percent (5%). Fees and expenses shall include, but not limited to, all outside counsel fees and expenses, all in-house legal fees and expenses and all outside professional advisory fees and expenses. Such fees and expenses are deemed to be secured by any security taken by Meridian pursuant to the terms hereof and all payments or credits to the account of the Member shall be deemed to have been applied first to the repayment of any such fees and expenses.
- (d) In the event Meridian authorizes for the Member a higher debit balance than the maximum amount authorized under this Credit Agreement, the Member agrees to repay such excess amount on demand with interest accruing on the excess amount from the date of the advance of the excess amount, both before and after demand and default, at Meridian's prescribed rate for such excess advances from time to time, being twenty one percent (21%) per annum. Such excess amounts are deemed to be secured by any security taken by Meridian pursuant to the terms hereof and all payments or credits to the account of the Member shall be deemed to have been applied first to the repayment of any such excess amounts.
- (e) All payments by the Member to Meridian shall be made at the address of the branch of Meridian set out on the Credit Agreement or at such other place as Meridian may specify in writing from time to time. Any payment delivered or made to Meridian by **3:00 p.m.** local time at the place where such payment is to be made **shall** be credited as of that day, but if made afterwards shall be credited as of the next Business Day.
- (f) Notwithstanding anything to the contrary contained in the Credit Agreement, Meridian may, in its sole and unfettered discretion, make an advance under a Credit Facility to pay any unpaid interest or fees which have become due under the terms of the Credit Agreement.
- (g) The obligation of the Member and the Guarantors (if any) to make all payments under the Credit Agreement and the Security Documents and other Financing Documents shall be absolute and unconditional and shall not be limited or affected by any circumstance, including, without limitation:

- (i) any set-off, compensation, counterclaim, recoupment, defense or other right which the Member or any Guarantor (if any) may have against Meridian or anyone else for any reason whatsoever; or
- (ii) any insolvency, bankruptcy, reorganization or similar proceedings by or against the Member or any Guarantor (if any).
- (h) The imposition or collection of a fee does not constitute an express or implied waiver by Meridian of any Event of Default or of any of the terms or conditions of the lending arrangements, security or rights arising from any Event of Default. Fees may be charged to the Member's deposit account when incurred.

7. **Prepayment**

Floating Rate Loans: Permitted at any time without penalty unless otherwise stipulated herein.

Fixed Rate Loans: The Member may not make any payments in addition to those required on the stipulated dates prior to the term maturity date except for an annual prepayment provision, not exceeding ten percent (10%) of the original principal amount. This right of prepayment is not cumulative such that if the Member does not use this privilege in a calendar year, the Member cannot carry forward this right of prepayment for that calendar year to any following calendar year.

Any additional prepayment, in whole or in part, will be applied in inverse order of maturity, by payment in full of all outstanding principal, interest, applicable expenses and discharge costs, and subject to a prepayment penalty consisting of the greater of:

- (a) three (3) months interest, based on the unpaid principal balance as at the payout date,
and
- (b) the interest rate differential, being an amount calculated by multiplying the difference between the "existing" annual interest rate and the then "current" annual interest rate as at prepayment date, by the unpaid principal balance as at the requested payout date, and calculated with respect to the remaining portion of the term of the loan.

In the event that the due date of the loan is accelerated by demand following default by the Member, the Prepayment Penalty is applicable and recoverable by Meridian.

8. **Credit Covenants**

In addition to the covenants previously set out, each of the following shall apply until all the Credit Facilities are repaid in full and cancelled:

- (a) The Member will:
 - (i) maintain its membership with Meridian while any portion of the facilities remains outstanding or committed. A \$1.00 share deposit is required;
 - (ii) permit Meridian or associated agents access at all reasonable times to any real property, including the Property, where collateral covered Meridian security may be located and Meridian or its agents may inspect such collateral and all related documents and records;
 - (iii) agree that Meridian will provide all day to day business banking services for the Member;
 - (iv) advise Meridian of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender;
 - (v) advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Member or a Guarantor (if any) or the occurrence of any Event of Default or default under the Credit Agreement or under any other agreement for borrowed money;

* defined and based on COF Rate for a term closest to the remaining term of the loan, plus applicable interest rate spread similar to that used for existing rate

- (vi) inform Meridian of any actual or probable litigation and promptly furnish Meridian with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Member; and
 - (vii) do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts and other arrangements in full force and effect.
- (b) The Member shall not, without the prior written consent of Meridian:
- (i) grant or allow any lien, charge, privilege, hypothec or other encumbrance, whether fixed or floating, to be registered against or exist on any of its assets, and in particular, without limiting the generality of the foregoing, shall not grant a trust deed or other instrument in favour of a trustee;
 - (ii) become guarantor or endorser or otherwise become liable upon any note or other obligation other than in the normal course of business of the Member;
 - (iii) declare or pay dividends on any class or kind of its shares, repurchase or redeem any of its shares or reduce its capital in any way whatsoever or repay any shareholders' advances. Such approval will not be unreasonably withheld so long as financial results and account performance is satisfactory;
 - (iv) amalgamate with or permit all, or substantially all, of its assets to be acquired by any other person, firm or corporation or permit any reorganization or change of control of the Member; or
 - (v) change the nature of its business.
- (c) The scheduled property tax payments are to be paid up to date at all times. If the Member fails to keep the tax payments up to date, Meridian reserves the right to pay the taxes and to collect from the Member an amount sufficient to pay the taxes in full. If the Member fails to timely provide Meridian with evidence of payment status, the Member authorizes Meridian to obtain the document from the municipality at the immediate sole cost and expense of the Member plus costs incurred.
- (d) Insurance coverage is to be maintained, sufficient to substantially replace all assets in the event of loss over all real and Personal Property that the Member and Guarantors (if any) have charged and/or granted security over or against in favour of Meridian. If the Member fails to take out and keep in force such minimum insurance as is required hereunder, then Meridian may, but not be obliged to, take out and keep in force such insurance at the immediate sole cost and expense of the Member plus costs incurred, or use other means at its disposal under the terms of the Security Documents.
- (e) The regular rent/lease payments on all rented/leased Property and equipment are to be maintained up to date at all times.
- (f) Meridian shall have the right in its sole and unfettered discretion to waive the delivery of any Security Documents or the performance of any term or condition of the Credit Agreement, and may advance all or any portion of the Credit Facility prior to satisfaction of any conditions precedent referred to in the Credit Agreement, but any such waiver by Meridian of any obligation or condition shall not constitute a waiver of such obligation or condition for any future advance.
- (g) All financial terms and covenants shall be determined in accordance with GAAP, applied consistently.
- (h) Any amount payable by the Member to Meridian under the Credit Agreement or the Security Documents or the other Financing Documents may be debited to any account of the Member with Meridian even if that debiting creates an overdraft in any such account.

9. **No Material Changes**

No material adverse change in, or development likely to have a material adverse effect on the condition (financial or otherwise) of the operation, business, properties, prospects or capitalization of the Member shall have occurred since the date of the Credit Agreement.

10. Letters of Credit

Meridian shall be permitted, in its sole and unfettered discretion to restrict the maturity date of any Letters of Credit it issues.

11. Cash Management and Foreign Exchange

Meridian may, and the Member hereby authorizes, Meridian to, drawdown under any Credit Facility hereunder to satisfy any obligation of the Member to Meridian in connection with any cash management service and/or foreign exchange service provided by Meridian to the Member. Meridian may draw under any Credit Facility hereunder even if the drawdown results in amounts outstanding in excess of the authorized limit for such Credit Facility.

12. Visa Business Card

If a "Visa Business Cash Back Card", "Visa Business Infinite Cash Back Card" and/or "Visa Business Flex Cash Back Card" is included as a Credit Facility, then the provisions of this paragraph shall apply. The terms and conditions of the Visa Business Card Agreement and the Visa Business Card Fee and Rate Agreement are incorporated herein by this reference mutatis mutandis. The Member and each Guarantor, if any, represents and warrants that it has received and read in full the Visa Business Card Agreement and the Visa Business Card Fee and Rate Agreement. The Member agrees that (i) the reference to the "application by the Primary Cardholder or, as applicable, the Authorized Officer Cardholder" contained within the definition of "Business" in the Visa Business Card Agreement is and shall be deemed to be a reference to the Credit Agreement and the execution on behalf of the Member of the Credit Agreement, (ii) it is the "Business" as defined and referred to in the Visa Business Card Agreement, (iii) it is bound by the Visa Business Card Agreement and (iv) it is jointly and severally liable with the other parties named therein for all debts, liabilities and obligations owing or accruing due under the Visa Business Card Agreement. Each Guarantor, if any, agrees to be bound by the Visa Business Card Agreement [and the Visa Business Card Fee and Rate Agreement] in the capacity of the "Guarantor" as defined and referred to thereunder and each Guarantor agrees that its guarantee of the debts, liabilities and obligations under the Credit Agreement includes without limitation all debts, liabilities and obligations owing or accruing due under the Visa Business Card Agreement. The Visa Business Card Fee and Rate Agreement may be amended, restated, supplemented or replaced by Meridian from time to time within the time periods contemplated in the Visa Business Card Agreement (generally, 30 days' advance written notice) and any use of a Card (as defined in the Visa Business Card Agreement) after receiving any such notice will constitute Member's and any Guarantor's acceptance of the changes contained in such notice.

13. Events of Default

Without limiting the entitlement of Meridian to demand repayment at any time of any Credit Facility or any other rights of Meridian under this Credit Agreement that are repayable on demand, upon the occurrence of any one of the following events (an "Event of Default"), Meridian, may in its sole and unfettered discretion, cease making any further advances under any of the Credit Facilities provided for under this Credit Agreement and, Meridian may, by written notice to the Member, declare all the unpaid principal of and accrued interest for all Credit Facilities to be immediately due and payable whereupon the same shall become due and payable forthwith:

- (a) The Member fails to make any payment of interest or principal when due pursuant to this Credit Agreement or any other Financing Document;
- (b) There is a breach by the Member of any other term, covenant or condition, contained in this Credit Agreement or any other Financing Document;
- (c) A representation or warranty made or given herein or in any other Financing Document is false or incorrect in any material respect when made, given or delivered;
- (d) Any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other proceedings for the relief of debtors are instituted by or against the Member and, if instituted against the Member, are allowed against or consented to by the Member or are not dismissed or stayed within five (5) days after such institution;
- (e) There occurs or is reasonably likely to occur as determined, in the sole discretion of Meridian:
 - (i) a material adverse change in the financial condition of the Member;
 - (ii) a change in control or ownership of the Member; or
 - (iii) legal proceedings detrimental to the affairs of the Member;

- (f) Any default occurs under any Security Document or under any other Financing Document;
- (g) Default by the Member under any other agreement, whether now or hereafter existing, with Meridian or in respect of any obligation to Meridian;
- (h) The Member is in default in making a payment of any other indebtedness incurred, assumed or guaranteed by it and the effect of such default is to permit the holder of such obligation to cause such obligation to become due prior to its stated maturity; or
- (i) Meridian believes in good faith that the ability of the Member to pay any of its obligations to Meridian or to perform any of the covenants contained herein is impaired or the security referred to herein is impaired or is in jeopardy.

The above Events of Default applicable to the Member also extend to the Member's subsidiary(s) and any Guarantors.

14. Remedies of the Lender

- (a) Upon the occurrence of an Event of Default, Meridian may declare all, or any portion outstanding of the indebtedness and other obligations under the Financing Documents to be immediately due and payable and Meridian may proceed to realize on its security and to enforce its rights under the Security Documents, including without limitation, the right to appoint a receiver or receivers over all or any part of the assets and undertakings of the Member. The receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of Meridian or not, and Meridian may remove any receiver or receivers so appointed and appoint another or others in their stead; or by proceeding in a court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the assets and undertakings of the Member 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 Member.
- (b) Any such receiver or receivers so appointed shall have power:
 - (i) to take possession of the assets and undertakings of the Member or any part thereof and to carry on the business of the Member;
 - (ii) to borrow money required for the maintenance, preservation or protection of the assets and undertakings of the Member or any part thereof or the carrying on of the business of the Member;
 - (iii) to further charge the Member's assets and undertakings in priority to its Security as security for money so borrowed; and
 - (iv) to sell, lease or otherwise dispose of the whole or any part of the Member's assets or undertakings on such terms and conditions and in such manner as they shall determine.

In exercising any powers any such receiver or receivers shall be deemed to act as agent or agents for the Member and Meridian shall not be responsible for the actions of such agent or agents.

- (c) In addition, Meridian may enter upon and lease or sell the whole or any part or parts of the Member's assets and undertakings, and any such sale may be made hereunder by public auction, by public tender or by private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Member, and 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 Meridian in its sole discretion may deem advantageous, and such sale may take place whether or not Meridian has taken such possession of such assets and undertakings.
- (d) No remedy for the realization upon the Security or for the enforcement of the rights of Meridian shall be exclusive of, or dependent on, any other such remedy, and any one or more of such remedies may from time to time be exercised independently or in combination.
- (e) The term "**receiver**" as used herein includes a receiver and manager.


15. Representations

The Member and Guarantors (if any) hereby represent and warrant that:

- (a) It has full power, authority and legal right to borrow in the manner and on the terms and conditions set out in this Credit Agreement and the other Financing Documents, to execute and deliver the acceptance of this Credit

Agreement and to carry out the terms and conditions of this Credit Agreement and the other Financing Documents;

- (b) The execution and delivery of the acceptance of this Credit Agreement and the other Financing Documents and the carrying out of the terms of this Credit Agreement and of the other Financing Documents do not violate any law, order or regulation applicable to it and have been (or will be) duly and validly authorized by it;
- (c) This Credit Agreement as accepted and the other Financing Documents as delivered are valid, binding and legally enforceable against it in accordance with their respective terms except to the extent that the enforcement thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally;
- (d) It is not in default under the provisions of any agreement evidencing, guaranteeing or relating to any outstanding indebtedness or liability and the execution and acceptance of this Credit Agreement and the delivery of the Financing Documents will not constitute a breach of any agreement to which it is a party;
- (e) There are no actions, suits or proceedings pending or threatened against it before any court or government department, commission, board or agency which, if determined adversely, would have a material adverse effect on its financial condition.
- (f) Representations and Covenants re: Hazardous Substances
 - (i) To the best of the Member's knowledge after due and diligent inquiry, no Hazardous Substances are being stored on, in, under or adjacent to the Property, nor have any such substances been stored, used or Released on the Property or any adjacent property prior to, or during the Member's ownership, possession or control of the Property. The Member agrees to provide written notice to Meridian immediately upon the Member becoming aware that the Property or any adjacent property are being or have been contaminated with regulated or Hazardous Substances. The Member will not permit any activities on the Property which directly or indirectly could result in the Property or any other property being contaminated with a Hazardous Substances.
 - (ii) The Member shall promptly comply with all Environmental Laws, relating to the use, collection, storage, treatment, control, removal or cleanup of regulated, Hazardous Substances in, on, or under the Property or in, on or under any adjacent property that becomes contaminated with any Hazardous Substances as a result of construction, operations or other activities on, or the contamination of the Property or incorporated in any improvements thereon. Meridian may, but shall not be obligated to, enter upon the Property and take such actions and incur such costs and expenses to effect such compliance as it deems advisable and the Member shall reimburse Meridian on demand for the full amount of all costs and expenses (including without limitation legal fees on a full indemnity basis and consulting fees) incurred by Meridian in connection with such compliance activities; and
 - (iii) The assets of the Member which are now or in the future encumbered by the Security Documents are hereby further mortgaged and charged to Meridian, and Meridian shall have a security interest in such assets, as security for the repayment of such costs and expenses and interest thereon, as if such costs and expenses had originally formed part of the Credit Agreement.
- (g) Representations and Covenants re: Environmental Issues
 - (i) To the best of the Member's knowledge, the Property does not contain any Hazardous Substances. To the best of the Member's knowledge, after due inquiry and investigation, no Hazardous Substance has ever been Released into the environment as a result of any of the activities conducted on the Property and the future usage of the Property will be limited to environmentally acceptable activities in compliance with all Environmental Laws;
 - (ii) There are no claims, actions, investigations, liens, prosecutions, notices, work orders, control orders, stop orders or directives, written or oral, ("**Orders**") of any kind issued or pending against the Member or the Property by any third party, court or international, federal, provincial or municipal ministry, department or agency ("**Environmental Authority**"). To the best of the Member's knowledge, there are no circumstances, current or contemplated, which might give rise to any such Order;
 - (iii) To the best of the Member's knowledge, after due inquiry and investigation, the Property and its existing and prior uses comply and have at all times complied with all Environmental Laws.



(iv) The Member shall promptly complete any and all actions for the further testing or investigation of the Property and any adjacent properties and for the treatment, clean-up, removal and remediation of any Hazardous Substances in, on or under the Property or in, on or under any adjacent property which is required, recommended or considered advisable under any environmental assessment report. Meridian may, but shall not be obligated to, enter upon the Property and take such actions and incur such costs and expenses to complete such actions as it deems advisable and the Member shall reimburse Meridian on demand for the full amount of all costs and expenses (including without limitation legal fees on a full indemnity basis and consulting fees) incurred by Meridian in connection with such activities.

The Member shall pay, at the Member's sole cost and expense, the entire cost of any environmental audit deemed necessary by Meridian in Meridian's sole discretion. Such audit shall be performed by a duly licensed engineer acceptable to Meridian. The scope of any environmental audit shall be at Meridian's sole discretion. The auditor performing the environmental audit, its employees and agents shall be granted full access to the Property and all buildings thereon to perform any testing or investigation deemed necessary by the auditor in the auditor's sole discretion.

The Member shall ensure that the representations and warranties of the Member are true and correct at this time and throughout the term of the Credit Facilities.

16. **Waiver or Variation**

No term or condition of the Credit Agreement or any other Financing Document may be waived or varied orally or by any course of conduct of any officer, employee or agent of Meridian. Any amendment to the Credit Agreement or any of the Financing Documents must be in writing and signed by a duly authorized officer of Meridian. A party's consent to or approval of any act shall not be deemed to waive the requirement for any subsequent or ongoing approval requirements pursuant to the terms of this Credit Agreement. Meridian is not required to notify a Guarantor of any change in the Credit Agreement, including any increases in the Credit Facilities.

17. **Credit Reporting**

The Member and each Guarantor consents to Meridian obtaining from any credit reporting agency or from any person such information as Meridian may require at any time, and consents to the disclosure at any time of any information concerning the Member and any Guarantor to any credit grantor with whom the Member and any Guarantors have financial relations or to any credit reporting agency.

18. **Time of Essence**

Time shall be and remain of the essence of this Credit Agreement.

19. **Survival**

All terms, conditions, representations and warranties of the Credit Agreement shall survive the closing of the Credit Facilities contemplated and neither the preparation, nor registration or any documents related to the transaction shall bind Meridian to advance funds under this Credit Agreement or the other Financing Documents.

20. **No Merger**

It is understood and agreed that the execution and delivery of the mortgage and other security documents shall in no way merge or extinguish this Credit Agreement or the other Financing Documents or their terms and conditions.

The terms and conditions of this Credit Agreement and the other Financing Documents shall continue in full force and effect; provided however, in the case of any inconsistency between the provisions of this Credit Agreement, and the provisions of any of the Security Agreements and the other Financing Documents, the provisions of this Credit Agreement shall prevail.

21. **General Indemnity**

The Member agrees to indemnify Meridian from and against any and all claims, losses and liability arising or resulting from any of the Financing Documents. In no event will Meridian be liable to the Member or any Guarantor for any direct, indirect or consequential damages arising under or in connection with any of the Financing Documents.

22. **Successors and Assigns**

This Credit Agreement and the other Financing Documents shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

This Credit Agreement and the other Financing Documents may not be assigned, transferred or otherwise disposed of by the Member [or any Guarantor] without the prior written consent of Meridian, which consent may be arbitrarily withheld. Meridian may, without notice to and without the consent of the Member or any Guarantor, assign, syndicate, securitize, transfer or grant participation interests in the whole or any part of this Credit Agreement, the Credit Facilities, the Security Documents and any and all right, title, benefits, remedies and obligations relating thereto. The Member and each Guarantor agrees to co-operate with Meridian in connection with any such assignment, syndication, securitization, transfer or grant of participation interests including, without limitation, the delivery of an Estoppel certificate in a form satisfactory to Meridian.

23. **Set Off**

Meridian may (but shall not be obligated), at any time, to apply any credit balance, whether or not then due, to which the Member or any Guarantor is entitled towards satisfaction of the obligations of the Member or any Guarantor under any of the Financing Documents.

24. **Increased Costs**

The Member shall reimburse Meridian for any additional cost or reduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to Meridian hereunder (other than taxes on the overall net income of Meridian), (ii) the imposition of, or increase in, any reserve or similar requirements, and (iii) the imposition of, or change in, any other condition affecting the Credit Facilities imposed by any applicable law or the interpretation thereof.

25. **Release of Information**

The Member [and each Guarantor] hereby irrevocably authorizes and directs its accountant (the "Accountant") to deliver all financial statements and other financial information concerning it to Meridian and agrees that Meridian and the Accountant may communicate with each other as to its business and financial affairs.

26. **Miscellaneous**

Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with GAAP and all financial statements and information provided will be prepared in accordance with those principles.

27. **Notices**

All notices or other communications required to be given or which may be given under this Credit Agreement shall be in writing duly executed by the party giving such notice or its solicitors, and shall be considered given if served personally, or if mailed by prepaid registered post addressed to the parties as follows: **Meridian at Meridian Credit Union Limited, 75 Corporate Park Drive, St. Catharines, Ontario L2S 3W3 Attention: Business Banking Operations**, and to the Member and Guarantor(s) at the address first written above or as otherwise advised by them in writing. Every such notice shall be deemed to have been given upon the day it was personally served or by delivered by courier, or if mailed, upon the third postal date after it was sent by registered mailed. Either of the parties may designate in writing, a substitute address from that set forth above, and thereafter any notice shall be directed to such substituted address. In the event of a postal strike, or in the event of the interruption of mail service, then all notices must be delivered by personal delivery.

28. **Choice of Law**

This Credit Agreement shall be governed by the laws of the province of Ontario.

29. **Partial Invalidity**

If any term, covenant or condition of this Credit Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Credit Agreement and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Credit Agreement shall be separately valid and enforceable to the fullest extent permitted by law.



30. **Confidentiality**

By acceptance of these Credit Facilities the Member and the Guarantors (if any) hereby provide consent to Meridian to disclose confidential information about the Member(s), Guarantor(s) and/or the project to financial institutions and lenders which Meridian may invite to participate in these Credit Facilities as well as, any independent third party specialists Meridian may request to provide services.



This is **Exhibit “D”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

THIS SECURITY AGREEMENT (as amended, modified, renewed, supplemented, replaced or extended from time to time, this "Agreement") dated as of JUNE 14/23, is made by and between 2465 Brock Rd Development Inc. (the "Assignor"), and MERIDIAN CREDIT UNION LIMITED (the "Lender").

The Assignor hereby enters into this General Security Agreement with the Lender for valuable consideration and as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, now or hereafter existing, direct or indirect, absolute or contingent, joint or several, of the Assignor to the Lender, whosoever and howsoever incurred whether as principal or surety, together with all expenses (including legal fees on a solicitor and client basis) incurred by the Lender, its receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (all of which present and future indebtedness, obligations, liabilities, expenses and interest are herein collectively called the "Indebtedness").

A. Grant of Security Interests

1. The Assignor hereby grants to the Lender, by way of mortgage, charge, assignment and transfer, a security interest (the "Security Interest") in the undertaking of the Assignor and in all property, real and personal, including, without limitation, all Goods (including all parts, accessories, attachments, special tools, additions and accretions thereto), Accounts, Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money, Securities, Investment Property, now or hereafter owned or acquired by or on behalf of the Assignor and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively call the "Collateral") including without limitation, all of the following now or hereafter owned or acquired by or on behalf of the Assignor:
 - (i) all Inventory of whatever kind and wherever situate;
 - (ii) all Equipment of whatever kind and wherever situate including, without limitation, all machinery, tools, apparatus, plant furniture, fixtures and vehicles of whatsoever nature or kind;
 - (iii) all accounts and book debts and generally all debts, accounts receivable, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit, guarantees and advices of credit which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Assignor;
 - (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
 - (v) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights and other industrial property;
 - (vi) all monies other than trust monies lawfully belonging to others;
 - (vii) all property and assets, real and personal, moveable or immovable, of whatsoever nature and kind; and
 - (viii) all present and future investment property held by the Assignor, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation, or other interest of the Assignor in property or in an enterprise or which constitute evidence of an obligation of the issuer, together with all accretions thereto, all substitutions therefor, all dividends and income derived therefrom and all rights and claims in respect thereof.
2. The Security Interest hereby created shall not extend or attach to (i) any personal property held in trust by the Assignor and lawfully belonging to others or (ii) any property of the Assignor that constitutes consumer goods for the personal use of the Assignor; or (iii) the last day of the term of any lease, oral or written or agreement therefor, now held or hereafter acquired by the Assignor, provided that upon the enforcement of the Security Interest the Assignor shall stand possessed of such last day in trust to assign and dispose of the same to any person acquiring such term. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the PPSA.

B. Attachment

3. The Assignor warrants and acknowledges that the Assignor and the Lender intend the Security Interest in existing Collateral to attach upon the execution of this General Security Agreement; that value has been given; that the Assignor has rights in such existing Collateral; and that the Assignor and the Lender intend the Security Interest in hereafter acquired Collateral to attach at the same time as the Assignor acquires rights in the said after acquired Collateral.

C. Representations and Warranties of Assignor

4. The Assignor hereby represents and warrants to the Lender that:
 - (a) the Collateral is genuine and owned by the Assignor, with good and marketable title, free of all security interests, mortgages, liens, claims, charges or other encumbrances (collectively hereinafter called "Encumbrances"), save for the Security Interest
 - (b) no person has any right, title, claim or interest (by way of security interest or other lien) in, against or to the Collateral.
 - (c) all information heretofore, herein or hereafter supplied to the Lender by or on behalf of the Assignor with respect to the Collateral is accurate and complete in all material respects.
 - (d) the Assignor has delivered to the Lender all instruments and chattel paper and other items of Collateral in which a security interest is or may be perfected by possession, together with such additional writings, including assignments, with respect thereto as the Lender shall request.
 - (e) all of the patents, trade-marks, and copyrights of the Assignor have been registered or applied to be registered with the United States Patent and Trademark Office, the United States Copyright Office or the Canadian Intellectual Property Office, as appropriate.
 - (f) the Assignor's chief executive office is in the Province of Ontario and the Assignor's records concerning the Collateral are located at its chief executive office

D. Covenants and Agreements of Assignor

5. The Assignor hereby covenants and agrees with the Lender that until all of the Indebtedness is paid in full:
- (a) the Assignor shall not without the prior written consent of the Lender sell or dispose of any of the Collateral in the ordinary course of business or otherwise, and if the amounts on or in respect of the Collateral or Proceeds thereof shall be paid to the Assignor, the Assignor shall receive the same in trust for the Lender and forthwith pay over the same to the Lender upon request; provided however that the Inventory of the Assignor may be sold or disposed of in the ordinary course of business and for the purpose of carrying on the same;
 - (b) the Assignor shall not without the prior written consent of the Lender create or permit any Encumbrances upon or assign or transfer as security or pledge or hypothecate as security the Collateral except to the Lender;
 - (c) the Assignor shall at all times have and maintain insurance over the Collateral against risks of fire (including extended coverage), theft, and such risks as the Lender 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 Lender. The Assignor shall duly and reasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Lender as its interest hereunder may appear and shall, if required, furnish the Lender with certificates or other evidence satisfactory to the Lender of compliance with the foregoing insurance provisions. In the event that Assignor fails to pay all premiums and other sums payable in accordance with the foregoing insurance provision, the Lender may make such payments to be repayable by the Assignor on demand and any such payments made by the Lender shall be secured hereby;
 - (d) the Assignor shall keep the Collateral in good condition and repair according to the nature and description thereof, and the Lender may, whenever it deems necessary, either in person or by agent, inspect the Collateral and the reasonable cost of such inspection shall be paid by the Assignor and secured hereby and the Lender may make repairs as it deems necessary and the cost thereof shall be paid by the Assignor and secured hereby;
 - (e) the Assignor shall duly pay all taxes, rates, levies, assessments of every nature which may be lawfully levied, assessed or imposed against or in respect of the Assignor or the Collateral as and when the same become due and payable;
 - (f) the Assignor agrees that the Lender may, at any time, whether before or after a default under this General Security Agreement, notify any account Borrower of the Assignor of the Security Interest, require such account Borrower to make payment to the Lender, take control of any Proceeds of Collateral and may hold all amounts received from any account Borrower and any Proceeds as part of the Collateral and as security for the Indebtedness;
 - (g) the Assignor shall prevent the Collateral from becoming an accession to any personal property not subject to this agreement or becoming affixed to any real property, without the prior written consent of the Lender.
 - (h) the Assignor shall from time to time deliver to the Lender promptly upon request (and, if so requested, from time to time as they are acquired by the Assignor) all items of Collateral comprising Chattel Paper, Instruments, Investment Property (to the extent certificated) and those Documents of Title which are negotiable.
 - (i) the Assignor shall pay or reimburse the Lender for all costs and expenses of the Lender, its agents, officers and employees (including, without limitation, legal fees and disbursements on a substantial indemnity basis) incurred with respect to:
 - (i) the preparation, perfection, execution and filing of this agreement and the filing of financing statement(s) and financing change statement(s) with respect to this agreement;
 - (ii) any person engaged by the Lender to conduct an inspection of the collateral; and
 - (iii) dealing with other creditors of the Assignor in connection with the establishment, confirmation, amendment or preservation of the priority of the Security Interest;such costs and expenses to be payable by the Assignor to the Lender on demand, to bear interest at the highest rate per annum borne by any of the Indebtedness, calculated and compounded monthly, and (with all such interest) to be added to and form part of the Indebtedness.
 - (j) the Assignor shall promptly notify the Lender in writing of the details of:
 - (i) any amendment to its articles, including without limitation by virtue of the filing of articles of amalgamation, effecting a change in the Assignor's name or authorizing it to use a French version of its name;
 - (ii) any claim, litigation or proceedings before any court, administrative board or other tribunal which either does or could have a material adverse effect on the Collateral or the Assignor;
 - (iii) any claim, lien, attachment, execution or other process or encumbrance made or asserted against or with respect to the Collateral which either does or could have a material adverse effect on the Security Interest;
 - (iv) any transfer of the Assignor's interest in the Collateral, whether or not permitted hereunder; or
 - (v) any material loss of or damage to the Collateral, whether or not such loss or damage is covered by insurance.
 - (k) if any of the Collateral consists of Investment Property, (a) the Assignor authorizes the Lender to transfer such Collateral or any part thereof into its own name or that of its nominee so that the Lender or its nominee may appear of record as the sole owner thereof; provided, that so long as no event of default has occurred, the Lender shall deliver promptly to the Assignor all notices, statements or other communications received by it or its nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give to the Assignor or its designee a proxy or proxies to vote and take all action with respect to such property; provided further that after the occurrence of an event of default, the Assignor waives all rights to be advised of or to receive any notices, statements or communications received by the Lender or its nominee as such record owner, and agrees that no proxy or proxies given by the Lender to the Assignor or its designee as aforesaid shall thereafter be effective; and (b) the Assignor further agrees to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give the Lender "control" of such Investment Property, as defined in the Securities Transfer Act, 2006 (Ontario), which "control" shall be in such manner as the Lender shall designate in its sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by the Lender, whether before or after the occurrence of an event of default, without further consent by the Assignor.
6. The Assignor shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered any such further act, deed, transfer, assignment, assurance, document or instrument as the Lender may reasonably require for the better granting, mortgaging, charging, assigning and transferring unto the Lender the property and assets hereby subjected or intended to be subject to the Security Interest or which the Assignor may hereafter become bound to mortgage, charge,

assign, transfer or subject to the Security Interest in favour of the Lender for the better accomplishing and effectuating of this General Security Agreement and the provisions contained herein and each and every officer of the Lender is irrevocably appointed attorney to execute in the name and on behalf of the Assignor any document or instrument for the said purposes.

7. The Assignor shall permit the Lender at any time, either in person or by agent, to inspect the Assignor's books and records pertaining to the Collateral. The Assignor shall at all times upon request by the Lender furnish the Lender with such information concerning the Collateral and the Assignor's affairs and business as the Lender may reasonably request including, without limitation, lists of Inventory and Equipment and lists of Accounts 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 Accounts.
8. The Assignor acknowledges and agrees that, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term "Assignor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interest granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation;
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to the Lender thereafter arising.

E. Default

9. The Assignor shall be in default under this General Security Agreement upon the occurrence of any one of the following events:
 - (a) the nonpayment by the Assignor, when due, whether by acceleration or otherwise, of any of the Indebtedness;
 - (b) the death or a declaration of incompetency by a court of competent jurisdiction with respect to the Assignor, if an individual;
 - (c) the failure of the Assignor to observe or perform any covenant, undertaking or agreement heretofore or hereafter given to the Lender, whether contained herein or not;
 - (d) an execution or any other process of the Court becomes enforceable against the Assignor or a distress or an analogous process is levied upon the property of the Assignor or any part thereof;
 - (e) the Assignor becomes insolvent, commits an act of bankruptcy, makes an assignment in bankruptcy or a bulk sale of its assets, any proceeding for relief as a Assignor or liquidation, re-assignment or winding-up is commenced with respect to the Assignor or an application for a bankruptcy order is filed or presented against the Assignor and is not bona fide opposed by the Assignor;
 - (f) the Assignor ceases to carry on business;
 - (g) any representation or warranty of the Assignor contained herein or in any document or certificate furnished in connection herewith proves to have been untrue in any material respect at the time in respect of which it was made;
 - (h) an encumbrance, whether permitted or otherwise, takes possession of any significant portion of the Collateral;
 - (i) an order is made or legislation enacted for the expropriation, confiscation, forfeiture, escheating or other taking or compulsory divestiture, whether or not with compensation, of all or a significant portion of the Collateral unless the same is being actively and diligently contested by the Assignor in good faith, the Assignor shall have provided to the Lender such security therefor as it may reasonably require and such order or legislation shall have been vacated, lifted, discharged, stayed or repealed within thirty days from the date of being entered, pronounced or enacted, as the case may be;
 - (j) the Assignor is liquidated, dissolved or its corporate charter expires or is revoked; or
 - (k) the Assignor defaults in the observance or performance of any provision relating to indebtedness of the Assignor to any creditor other than the Lender and thereby enables such creditor to demand payment of such indebtedness.
10. The Lender may in writing waive any breach by the Assignor of any of the provisions contained herein or any default by the Assignor in the observance or performance of any covenant or condition required by the Lender to be observed or performed by the Assignor; provided that no act or omission by the Lender in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or the rights resulting therefrom.

F. Remedies of the Lender

11. (a) Upon any default under this General Security Agreement, the Lender may declare any or all of the Indebtedness to be immediately due and payable and the Lender 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 all or any part of the Collateral and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not, and the Lender 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 Assignor.
- (b) Any such receiver or receivers so appointed shall have power:
 - (i) to take possession of the Collateral or any part thereof and to carry on the business of the Assignor;
 - (ii) 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 Assignor;
 - (iii) to further charge the Collateral in priority to the Security Interest as security for money so borrowed; and
 - (iv) 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 be deemed to act as agent or agents for the Assignor and the Lender shall not be responsible for the actions of such agent or agents.
- (c) In addition, the Lender may enter upon and lease or sell the whole or any part or parts of the Collateral and any such sale may be made hereunder by public auction, by public tender or by private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Assignor, and such sale shall be on such terms and conditions as to

creditor or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken such possession of such Collateral.

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

G. Rights of the Lender

- 12. All payments made in respect of the indebtedness and money realized from any securities held therefor may be applied on such part or parts of the indebtedness as the Lender may see fit and the Lender shall at all times and from time to time have the right to change any appropriation of any money received by it and to re-apply the same on any other part or parts of the indebtedness as the Lender may see fit, notwithstanding any previous application by whomsoever made.
- 13. The Assignor grants to the Lender the right to set off against any and all accounts, credits or balances maintained by it with the Lender, the aggregate amount of any of the indebtedness when the same shall become due and payable whether at maturity, upon acceleration of maturity thereof or otherwise.
- 14. The Lender, without exonerating in whole or in part the Assignor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from and may otherwise deal with the Assignor and all other persons and securities as the Lender may see fit.
- 15. The Lender may assign, transfer and deliver to any transferee any of the indebtedness or any security or any documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Assignor from any of the indebtedness; and thereafter the Lender shall be fully discharged from all responsibility with respect to the indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Assignor shall not assign any of its rights or obligations hereunder without the prior written consent of the Lender.

H. Miscellaneous

- 16. This General Security Agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document or instrument now or hereafter held by the Lender or existing at law in equity or by statute.
- 17. Nothing herein shall obligate the Lender to make any advance or loan or further advance or loan or to renew any note or extend any time for payment of any indebtedness of the Assignor to the Lender.
- 18. This General Security Agreement shall be binding upon the Assignor and its heirs, legatees, trustees, executors, administrators, successors and assigns including any successor by reason of amalgamation of or any other change in the Assignor and shall enture to the benefit of the Lender and its successors and assigns.
- 19. In construing this General Security Agreement, terms herein shall have the same meaning as defined in the PPSA, as hereinafter defined, unless the context otherwise requires. Words importing gender shall include all genders. Words importing the singular number shall include the plural and vice versa.
- 20. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 21. The headings in this General Security Agreement are included herein for convenience of reference only and shall not constitute a part of this General Security Agreement for any other purpose.
- 22. Any notice or statement referred to herein may be delivered, sent by facsimile machine or providing that postal service throughout Canada is fully operative, may be mailed by ordinary prepaid mail to the Assignor at his last address known to the Lender and the Assignor shall be deemed to have received such notice or statement on the day of delivery, if delivered, one business day after transmission and confirmation received if sent by facsimile machine and three business days after mailing, if mailed.
- 23. Where any provision or remedy contained or referred to in this General Security Agreement is prohibited, modified or altered by the laws of any province or territory of Canada which governs that aspect of this General Security Agreement and the provision or remedies may be waived or excluded by the Assignor in whole or in part, the Assignor hereby waives and excludes such provision to the fullest extent permissible by law.
- 24. This General Security Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may be in effect from time to time including, where applicable, the Personal Property Security Act of that Province (as amended or substituted, the "PPSA"). For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the said Province and to be performed there and the courts of that Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Assignor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Lender from proceeding at this election against the Assignor in the Courts of any other Province, country or jurisdiction.
- 25. The Assignor acknowledges having received a copy of this General Security Agreement.

This General Security Agreement has been duly executed by the Assignor on the 14 day of JUNE, 2023.

2465 BROCK RD DEVELOPMENT INC.

To be completed by incorporated business

Name: Sacha Singh

Title: President

Name: _____

Title: _____

Signature: [Signature]

Signature: _____

I/We have the authority to bind the Corporation

< Previous print >

Name: _____
Middle Initial: ___ Date of Birth (day month year): _____ Gender: _____
Address: _____

To be completed
by sole propri-
etor or partners

Signature of Witness Signature of Assignor

Name: _____
Middle Initial: ___ Date of Birth (day month year): _____ Gender: _____
Address: _____

Signature of Witness Signature of Assignor

This is **Exhibit “E”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Properties

PIN 26408 - 0420 LT *Interest/Estate* Fee Simple
Description PT LT 18 CON 3 PICKERING AS IN CO218530 EXCEPT PT 1, EXPROP PL 260 AND
 EXCEPT PT 1 PLAN 40R25886; CITY OF PICKERING
Address 2465 BROCK RD
 PICKERING

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 2465 BROCK RD DEVELOPMENT INC.
Address for Service 18 Bissland Dr.
 Ajax, Ontario
 L1Z 0C9

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 MERIDIAN CREDIT UNION LIMITED
Address for Service 75 Corporate Park Drive
 St. Catharines, Ontario
 L2S 3W3

Statements

Schedule: See Schedules

Provisions

Principal \$15,250,000.00 *Currency* CDN
Calculation Period
Balance Due Date On Demand
Interest Rate 24.00%
Payments
Interest Adjustment Date
Payment Date
First Payment Date
Last Payment Date
Standard Charge Terms 200522
Insurance Amount Full insurable value
Guarantor

Additional Provisions

See Schedules

Signed By

Christopher Stephen Doucette 7501 Keele Street, Ste. 200 acting for Signed 2023 06 22
 Concord
 L4K 1Y2 Chargor(s)

Tel 905-760-2600
 Fax 905-760-2900

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

Submitted By

BRATTYS LLP 7501 Keele Street, Ste. 200 2023 06 22
 Concord
 L4K 1Y2

Tel 905-760-2600

Submitted By

Fax 905-760-2900

Fees/Taxes/Payment

Statutory Registration Fee	\$69.00
Total Paid	\$69.00

Schedule "A"

Payment Provisions

This Charge is given as continuing security for payment to the Chargee of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Chargor to the Chargee (such debts and liabilities being hereinafter called the "liabilities"), but the Chargor's liability hereunder being limited to the sum of "the Credit Limit" (being the Principal Amount stated on Page 1 of this Charge/Mortgage) with interest at the rate hereinafter set out;

The Chargor covenants to pay each and every liability to the Chargee punctually as the same falls due; provided that this Charge is void upon payment on demand of the ultimate balance of the liabilities and all promissory notes, bills of exchange, guarantees and any other instruments whatsoever from time to time representing the liabilities or any part thereof, not exceeding the principal sum of "the Credit Limit" (being the Principal Amount stated on Page 1 of this Charge/Mortgage) together with interest thereon at the rate of 24.00 per centum per annum as well after as before maturity and both before and after default and all other amounts payable by the Chargor hereunder.

SCHEDULE "B"

ADDITIONAL PROVISIONS

RECEIVER

Notwithstanding anything herein contained it is declared and agreed that at any time and from time to time when there shall be default under the provisions of these presents the chargee may at such time and from time to time and with or without entry into possession of the charged premises or any part thereof by writing under its corporate seal appoint a receiver of the charged premises or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any receiver and appoint another in his stead and that, in making any such appointment or removal, the chargee shall be deemed to be acting as the agent or attorney for the chargor. Upon the appointment of any such receiver or receivers from time to time the following provisions shall apply:

1. That the statutory declaration of an officer of the chargee as to default under the provisions of these presents shall be conclusive evidence thereof.
2. That every such receiver shall be the irrevocable agent or attorney of the chargor for the collection of all rents falling due in respect of the charged premises or any part thereof whether in respect of any tenancies created in priority to these presents or subsequent thereto;
3. That every such receiver may, in the discretion of the chargee and by writing under its corporate seal, be vested with all or any of the powers and discretions of the chargee;
4. That the chargee may from time to time by such writing fix the remuneration of every such receiver who shall be entitled to deduct the same out of the charged premises or the proceeds thereof;
5. That every such receiver shall, so far as concerns responsibility for his acts or omissions, be deemed the agent or attorney of the chargor and in no event the agent of the chargee;
6. That the appointment of every such receiver by the chargee shall not incur or create any liability on the part of the chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the chargee a chargee in possession in respect of the charged premises or any part thereof;
7. That every such receiver shall from time to time have the power to rent any portion of the demised premises which may become vacant for such term and subject to such provisions as he may deem advisable or expedient and in so doing every such receiver shall act as the attorney or agent of the chargor and he shall have authority to execute under seal any lease of any such premises in the name of and on behalf of the chargor and the chargor undertakes to ratify and confirm whatever any such receiver may do in the premises;
8. That every such receiver shall have full power to take all steps he deems appropriate to complete any unfinished construction upon the charged premises with the intent that the charged premises and the buildings thereof when so completed shall be the complete structure as represented by the chargor to the chargee for the purpose of obtaining this charge loan;
9. That every such receiver shall have full power to manage, operate, amend, repair, alter or extend the charged premises or any part thereof in the name of the chargor for the purpose of securing the payment of rental from the charged premises or any part thereof;
10. That no such receiver be liable to the chargor to account for monies or damages other than cash received by him in respect of the charged premises or any part thereof and out of such cash so received every such receiver shall in the following order pay:

- (a) His remuneration aforesaid;
- (b) All payments made or incurred by him in connection with the management, operation, amendment, repair, alteration or extension of the charged premises or any part thereof; or completion of any unfinished construction upon same;
- (c) In payment of interest, principal and other money which may, from time to time, be or become charged upon the charged premises in priority to these presents, and all taxes, insurance premiums and every proper expenditure made or incurred by him in respect to the charged premises or any part thereof;
- (d) The chargee in payment of all interest due or falling due under this charge and the balance to be applied upon principal due and payable and secured by this charge; and
- (e) Thereafter any surplus remaining in the hands of every such receiver to the chargor, its successors and assigns.

This is **Exhibit “F”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Properties

PIN 26408 - 0420 LT
Description PT LT 18 CON 3 PICKERING AS IN CO218530 EXCEPT PT 1, EXPROP PL 260 AND EXCEPT PT 1 PLAN 40R25886; CITY OF PICKERING
Address 2465 BROCK RD
 PICKERING

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 2465 BROCK RD DEVELOPMENT INC.
Address for Service 18 Bissland Dr.
 Ajax, Ontario
 L1Z 0C9

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 MERIDIAN CREDIT UNION LIMITED
Address for Service 75 Corporate Park Drive
 St. Catharines, Ontario
 L2S 3W3

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, DR2240625 registered on 2023/06/22 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Christopher Stephen Doucette 7501 Keele Street, Ste. 200 acting for Signed 2023 06 22
 Concord Applicant(s)
 L4K 1Y2

Tel 905-760-2600

Fax 905-760-2900

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

Christopher Stephen Doucette 7501 Keele Street, Ste. 200 acting for Signed 2023 06 22
 Concord Party To(s)
 L4K 1Y2

Tel 905-760-2600

Fax 905-760-2900

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

Submitted By

BRATTYS LLP 7501 Keele Street, Ste. 200 2023 06 22
 Concord
 L4K 1Y2

Tel 905-760-2600

Fax 905-760-2900

Fees/Taxes/Payment

Statutory Registration Fee \$69.00
Total Paid \$69.00

Meridian General Assignment of Leases and Rents

THIS ASSIGNMENT made the 14 day of JUNE, 2023

BETWEEN

2465 BROCK RD DEVELOPMENT INC.

(hereinafter called the "Assignor")

OF THE FIRST PART

-and-

MERIDIAN CREDIT UNION LIMITED

(hereinafter called the "Assignee")

OF THE SECOND PART

WITNESSES:

1. WHEREAS the Assignor is the registered owner of the lands and premises described as PT 17 18 CON 2 PICKERING AS IN CO21830 EXCEPT PT 1 ON EXPROP PL 260 AND EXCEPT PT 1 PLAN 40R23609, CITY OF PICKERING, municipally known as 2465 Brock Road, Pickering, Ontario including the buildings erected or to be erected thereon (herein called the "Lands"), subject to a Charge to the Assignee which Charge secures the principal amount of \$ 15,250,000.00 (Fifteen Million Two Hundred Fifty Thousand Dollars).
2. NOW THEREFORE In consideration of Five Dollars (\$5.00) and other valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Assignor), the Assignor transfers and assigns to the Assignee, its successors and assigns, as security only (and not absolutely) for payment of the Principal Amount and interest secured by the said Charge, all its rights, benefits, title and interest under, in and to, and all claims of whatsoever nature or kind which the Assignor now has or may hereafter have under or pursuant to:
 - (a) the benefit of all present and future leases, subleases, agreements to occupy or use and licenses in respect of the whole or any part(s) of the Lands (the "Leases");
 - (b) all present and future incomes, rents, accounts and other moneys reserved or payable under the Leases (the "Rents"); and
 - (c) the benefit of every existing and future guarantee with respect to the Leases of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands.
3. THE ASSIGNOR COVENANTS AND AGREES THAT:
 - (a) it has not and will not do or omit to do any act having the effect of terminating, cancelling or accepting surrender of any of the Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or obligations of any other party thereunder or in connection therewith;
 - (b) none of such rights, remedies and obligations are or will be affected by any other agreement, document or understanding or by any reduction, abatement, defence, set-off, or counterclaim;
 - (c) none of the Leases or the Assignor's rights thereunder, including the right to receive the Rents, has been or will be amended, assigned, encumbered, discounted or anticipated by any instrument which might rank prior to or pari passu with the security hereby created or intended to be created save for those that will be discharged out of the advance of funds under the said Charge;
 - (d) none of the Rents has been or will be paid in advance (except those in respect of the first and/or the last months of the terms of any of the Leases when so required thereunder);
 - (e) none of the remainder of the Rents has been or will be paid prior to the due date for payment thereof;
 - (f) there is no current default under any of the Leases by any of the parties thereto;
 - (g) there is no outstanding dispute under any of the Leases between the Assignor and any other party thereto; and
 - (h) the Assignor will observe and perform all of his obligations under each of the Leases.
4. PROVIDED, however, and it is hereby specifically agreed as follows:
 - (a) The Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each such Leases, unless and until there is default under the Charge and the Assignee has given notice to the tenant, user, occupier, licensee or guarantor thereunder requiring it to pay the Rents to the Assignee; but nothing herein contained shall permit or authorize the Assignor to collect any of the rents contrary to clauses (d) and (e) above; and
 - (b) Nothing herein contained shall have the effect of making the Assignee, its successors and assigns, responsible for the collection of the Rents or any of them or for the performance of any of the obligations or conditions under or in respect to the Leases or any of them to be observed and performed by the Assignor, and the Assignee shall not by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a mortgagee in possession of the Lands and the Assignee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Assignee shall be liable to account only for such moneys as shall actually come into its hands, less proper collection charges and such moneys may be applied on account of any indebtedness of the Assignor to the Assignee pursuant to the Charge.
5. THE Assignor agrees to execute at the Assignor's expense such further assurances as may reasonably be required by the Assignee from time to time to perfect this assignment and, without limiting the generality of the foregoing, whenever any of the Leases not now existing is made or arises, the Assignor will forthwith at the request of the Assignee give the Assignee a specific assignment of the Rents and/or the Leases thereunder similar to this assignment and will obtain from any other parties thereto acknowledgments, such acknowledgments to be in such form as may reasonably be required by the Assignee.

6. THE Assignor agrees to specifically assign to the Assignee at the Assignor's expense and in registrable form, any of the Leases of part or parts of the Lands whether now existing or which may be created in the future and which the Assignee may from time to time require assigned to it.
7. THE Assignor further agrees that he will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable to the Assignor than those, which a prudent landlord would expect to receive for the premises to be leased.
8. PROVIDED that upon repayment of the whole of the moneys secured by the Charge and upon performance of all those covenants therein contained, these presents shall be void and of no further force or effect. The delivery of an executed full and final discharge of the Charge shall operate as a re-assignment of the Rents and Leases to the Assignor.
9. IT IS HEREBY AGREED that in construing this assignment the words "Assignor" and "Assignee" and the pronoun "it" relating thereto and used therewith, shall be read and construed as "Assignor" or "Assignors", "Assignee" or "Assignees", and "it", "its", "he", "she", "his", "her", "they", "their" or "them" respectively, as the number and gender of the party or parties referred to in each case require and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted.
10. THIS ASSIGNMENT shall enure to the benefit of and be binding upon the respective heirs, estate trustees, executors, administrators, successors and assigns of the parties hereto. In the event the Assignor is more than one party, all covenants and liabilities and obligations of the Assignor shall be joint and several.

IN WITNESS WHEREOF the Assignor has executed this Assignment as of the date first above written.

2465 BROCK RD DEVELOPMENT INC.



Name: Sacha Singh

Title: President

I have the authority to bind the corporation.

Name: _____

Title: _____

I have the authority to bind the corporation.

This is **Exhibit “G”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

To: **MERIDIAN CREDIT UNION LIMITED:**
(hereinafter called the "Credit Union")

For Valuable Consideration SACHA SINGH
(hereinafter called the "Guarantor")

hereby guarantees payment of the liabilities of 2465 BROCK RD DEVELOPMENT INC.
(hereinafter referred to as the "Member")

to the Credit Union and agrees to the following Terms and Conditions:

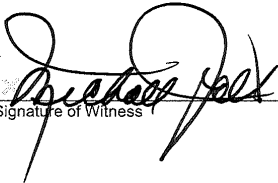
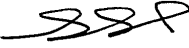
1. If more than one Guarantor executes this instrument the provisions hereof shall be read with all necessary grammatical changes, each reference to the Guarantor shall include each and every one of the undersigned severally and this Guarantee and all covenants and agreements herein contained shall be deemed to be joint and several.
2. The Credit Union may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Member, with other parties and with securities as the Credit Union may see fit. The Credit Union may apply all moneys received from the Member or others, or from securities, upon such part of the Member's liability as it may think best, without prejudice to and without in any way limiting or lessening the liability of the Guarantor under this Guarantee.
3. Neither the failure of the Credit Union to take any security that the parties hereto contemplated it would take nor the failure of the Credit Union to perfect any security taken shall prejudice, or in any way limit or lessen the liability of the Guarantor under, this Guarantee.
4. No loss of or in respect of securities received by the Credit Union from the Member or any other person, whether occasioned through the fault of the Credit Union or otherwise, shall discharge pro tanto, limit or lessen the liability of the Guarantor under this Guarantee.
5. This Guarantee shall be binding on the Guarantor as a continuing guarantee and shall cover any present liabilities of the Member to the Credit Union, all liabilities incurred after the date hereof whether from dealings between the Credit Union and the Member or from any other dealings by which the Member may become in any manner whatever liable to the Credit Union and any ultimate balance due or remaining due to the Credit Union. The Guarantor, or the executors, administrators or successors of the Guarantor, may determine further liability under this Guarantee by written notice to the Credit Union; and this Guarantee shall not apply to any liabilities of the Member to the Credit Union incurred after the expiration of thirty days from the date of receipt of such notice by the Credit Union.
6. Any change in the name of the Member, or any change in the membership of the Member's firm, shall not affect or in any way limit or lessen the liability of the Guarantor hereunder. This Guarantee shall also extend to any person, firm or corporation acquiring or from time to time carrying on the business of the Member.
7. All moneys, advances, renewals and credits in fact borrowed or obtained from the Credit Union shall be deemed to form part of the liabilities hereby guaranteed notwithstanding any incapacity, disability or lack or limitation of status or of power of the Member or of the directors, partners or agents thereof, notwithstanding that the Member may not be a legal entity, and notwithstanding any irregularity, defect or informality in the borrowing or obtaining of such moneys, advances, renewals or credits. Any amount which may not be recoverable from the Guarantor on the basis of a guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Credit Union after demand therefor has hereinafter provided.
8. Any account settled or stated by or between the Credit Union and the Member shall be accepted by the Guarantor as conclusive evidence that the balance or amount thereby appearing due by the Member to the Credit Union is so due.
9. Should the Credit Union receive from the Guarantor any payment or payments, either in full or on account of the liability under this Guarantee, the Guarantor shall not be entitled to claim repayment against the Member or the Member's estate until the Credit Union's claims against the Member have been paid in full. In case of any liquidation, winding up or bankruptcy of the Member, or in the event that the Member shall make a sale of any of the Member's assets within the bulk transfer provisions of any applicable legislation, or in the case of any composition with creditors or scheme of arrangement, the Credit Union shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full and the Guarantor shall continue liable up to the amount guaranteed, less any payments made by the Guarantor, for any balance which may be owing to the Credit Union by the Member. In the event of the valuation by the Credit Union of any of its securities and/or the retention thereof the Credit Union, such valuation and/or retention shall not, as between the Credit Union and the Guarantor, be considered as a purchase of such securities, or as payment, satisfaction or reduction of the Member's liabilities to the Credit Union, or any part thereof.
10. The Guarantor shall make payment to the Credit Union of the amount of the liability of the Member forthwith after demand therefor is made in writing. Such demand shall be deemed to have been made when an envelope containing the demand and addressed to the Guarantor at the last address of the Guarantor known to the Credit Union is deposited, postage prepaid and registered, in the Post Office. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the liabilities of the Member to the Credit Union. Furthermore, when demand for payment has been made, the Guarantor shall also be liable to the Credit Union for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Credit Union resulting from any action instituted on the basis of this Guarantee.
11. For the further security of the Credit Union the Guarantor agrees that:
 - (a) Any debts and claims against the Member now or at any time hereafter held by the Guarantor are and shall be held by the Guarantor for the further security of the Credit Union, and as between the Guarantor and the Credit Union are hereby postponed to the debts and claims against the Member now or at any time hereafter held by the Credit Union. Any such debts and claims of the Guarantor shall be held in trust for the Credit Union, shall be collected, enforced or proved subject to and for the purposes of this agreement and any moneys received by the Guarantor in respect thereof shall be paid over to the Credit Union on account of the Credit Union's debts and claims. No such debt or claim of the Guarantor against the Member shall be released or withdrawn by the Guarantor unless the Credit Union's written consent to such release or withdrawal is first obtained. The Guarantor shall not permit the prescription of any such debt or claim by any statute of limitations, assign any such debt or claim to any person other than the Credit Union, or ask for or obtain any security, negotiable paper or other evidence of any such debt or claim except for the purpose of delivering the same to the Credit Union. The Credit Union may at any time give notice to the Member requiring the Member to pay to the Credit Union all or any of such debts or claims of the Guarantor against the Member, and in such event such debts and claims are hereby assigned and transferred to the Credit Union. In the event of the liquidation, winding up or bankruptcy of the Member, or in the event that the Member shall make a sale of any of the Member's assets within the bulk transfer provisions of any applicable legislation, or in the event of any composition with creditors or scheme of arrangement, any and all dividends or other moneys which may be due or payable to the Guarantor in respect of the debts or claims of the Guarantor against the Member are hereby assigned and transferred to

and shall be due and be paid to the Credit Union, and for such payment to the Credit Union this shall be a sufficient warrant and authority to any person making the same. The Guarantor shall, at any time and from time to time at the request of and as required by the Credit Union, make execute and deliver all statements of claims, proofs of claim, assignments and other documents and do all matters and things which may be necessary or advisable for the protection of the rights of the Credit Union under and by virtue of this instrument.

- (b) The provisions of this clause are independent of and severable from the provisions of clauses 1-10 of this Guarantee and Postponement of Claim and shall remain in force whether or not the Guarantor is liable for any amount under clauses 1-10 and clause 18 and whether or not the Credit Union has received the notice referred to in paragraph 5. The provisions of this clause may, however, be terminated by the Guarantor, by written notice given to the Credit Union at any time when the Guarantor is not liable for any amount under clauses 1-10 and clause 18 by reason of the fact that the Member is not indebted or liable to the Credit Union.
12. The Credit Union shall not be bound to exhaust its recourse against the Member, other parties or the securities it may hold before being entitled to payment from the Guarantor under this Guarantee.
 13. This Guarantee is given in addition to and without prejudice to any securities of any kind, including any guarantees and postponement agreements, whether or not in the same form as this instrument, now or hereafter held by the Credit Union.
 14. There are no representations, collateral agreements or conditions with respect to this instrument, or affecting the Guarantor's liability hereunder, other than those contained herein.
 15. The terms and conditions set out in this Guarantee shall not merge with any judgment which may be obtained against the Guarantor or the Member.
 16. This instrument shall be construed in accordance with the laws of the Province of Ontario. The Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this instrument may be instituted in the courts of Ontario, and the Guarantor hereby agrees to accept and submit to the jurisdiction of the said courts, to acknowledge their competence, and to be bound by any judgement thereof. Nothing herein shall limit the Credit Union's right to bring proceedings against the Guarantor elsewhere.
 17. This Guarantee and Postponement of Claim shall extend to and enure to the benefit of the successors and assigns of the Credit Union, and shall be binding upon the Guarantor and the heirs, executors and administrators or the successors and assigns of the Guarantor.
 18. WITH RESPECT TO THE LIABILITIES OF 2465 BROCK RD DEVELOPMENT INC.

The liability of the Guarantor hereunder shall be limited to the sum of \$13,800,000.00 and shall bear interest from the date of demand for payment as heretofore provided.

Signed, Sealed and Delivered this 14 day of JUNE; 2023 at AJAJ, Ontario

To be completed by individuals, partners or sole proprietors	 _____ Signature of Witness	 _____ Signature of Guarantor
	<input checked="" type="checkbox"/> _____ Signature of Witness	<input checked="" type="checkbox"/> _____ Signature of Guarantor

To be completed by incorporated businesses	_____ Per <input checked="" type="checkbox"/> Authorized Signing Official	_____ Title
	_____ Per <input checked="" type="checkbox"/> Authorized Signing Official	_____ Title

This is **Exhibit “H”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

To: **MERIDIAN CREDIT UNION LIMITED:**
(hereinafter called the "Credit Union")

For Valuable Consideration 9319697 Canada Ltd.
(hereinafter called the "Guarantor")

hereby guarantees payment of the liabilities of 2465 Brock Rd Development Inc.
(hereinafter referred to as the "Member")

to the Credit Union and agrees to the following Terms and Conditions:

1. If more than one Guarantor executes this instrument the provisions hereof shall be read with all necessary grammatical changes, each reference to the Guarantor shall include each and every one of the undersigned severally and this Guarantee and all covenants and agreements herein contained shall be deemed to be joint and several.
2. The Credit Union may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Member, with other parties and with securities as the Credit Union may see fit. The Credit Union may apply all moneys received from the Member or others, or from securities, upon such part of the Member's liability as it may think best, without prejudice to and without in any way limiting or lessening the liability of the Guarantor under this Guarantee.
3. Neither the failure of the Credit Union to take any security that the parties hereto contemplated it would take nor the failure of the Credit Union to perfect any security taken shall prejudice, or in any way limit or lessen the liability of the Guarantor under, this Guarantee.
4. No loss of or in respect of securities received by the Credit Union from the Member or any other person, whether occasioned through the fault of the Credit Union or otherwise, shall discharge pro tanto, limit or lessen the liability of the Guarantor under this Guarantee.
5. This Guarantee shall be binding on the Guarantor as a continuing guarantee and shall cover any present liabilities of the Member to the Credit Union, all liabilities incurred after the date hereof whether from dealings between the Credit Union and the Member or from any other dealings by which the Member may become in any manner whatever liable to the Credit Union and any ultimate balance due or remaining due to the Credit Union. The Guarantor, or the executors, administrators or successors of the Guarantor, may determine further liability under this Guarantee by written notice to the Credit Union; and this Guarantee shall not apply to any liabilities of the Member to the Credit Union incurred after the expiration of thirty days from the date of receipt of such notice by the Credit Union.
6. Any change in the name of the Member, or any change in the membership of the Member's firm, shall not affect or in any way limit or lessen the liability of the Guarantor hereunder. This Guarantee shall also extend to any person, firm or corporation acquiring or from time to time carrying on the business of the Member.
7. All moneys, advances, renewals and credits in fact borrowed or obtained from the Credit Union shall be deemed to form part of the liabilities hereby guaranteed notwithstanding any incapacity, disability or lack or limitation of status or of power of the Member or of the directors, partners or agents thereof, notwithstanding that the Member may not be a legal entity, and notwithstanding any irregularity, defect or informality in the borrowing or obtaining of such moneys, advances, renewals or credits. Any amount which may not be recoverable from the Guarantor on the basis of a guarantee shall be recoverable from the Guarantor as principal debtor in respect thereof and shall be paid to the Credit Union after demand therefor has hereinafter provided.
8. Any account settled or stated by or between the Credit Union and the Member shall be accepted by the Guarantor as conclusive evidence that the balance or amount thereby appearing due by the Member to the Credit Union is so due.
9. Should the Credit Union receive from the Guarantor any payment or payments, either in full or on account of the liability under this Guarantee, the Guarantor shall not be entitled to claim repayment against the Member or the Member's estate until the Credit Union's claims against the Member have been paid in full. In case of any liquidation, winding up or bankruptcy of the Member, or in the event that the Member shall make a sale of any of the Member's assets within the bulk transfer provisions of any applicable legislation, or in the case of any composition with creditors or scheme of arrangement, the Credit Union shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full and the Guarantor shall continue liable up to the amount guaranteed, less any payments made by the Guarantor, for any balance which may be owing to the Credit Union by the Member. In the event of the valuation by the Credit Union of any of its securities and/or the retention thereof the Credit Union, such valuation and/or retention shall not, as between the Credit Union and the Guarantor, be considered as a purchase of such securities, or as payment, satisfaction or reduction of the Member's liabilities to the Credit Union, or any part thereof.
10. The Guarantor shall make payment to the Credit Union of the amount of the liability of the Member forthwith after demand therefor is made in writing. Such demand shall be deemed to have been made when an envelope containing the demand and addressed to the Guarantor at the last address of the Guarantor known to the Credit Union is deposited, postage prepaid and registered, in the Post Office. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the liabilities of the Member to the Credit Union. Furthermore, when demand for payment has been made, the Guarantor shall also be liable to the Credit Union for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Credit Union resulting from any action instituted on the basis of this Guarantee.
11. For the further security of the Credit Union the Guarantor agrees that:
 - (a) Any debts and claims against the Member now or at any time hereafter held by the Guarantor are and shall be held by the Guarantor for the further security of the Credit Union, and as between the Guarantor and the Credit Union are hereby postponed to the debts and claims against the Member now or at any time hereafter held by the Credit Union. Any such debts and claims of the Guarantor shall be held in trust for the Credit Union, shall be collected, enforced or proved subject to and for the purposes of this agreement and any moneys received by the Guarantor in respect thereof shall be paid over to the Credit Union on account of the Credit Union's debts and claims. No such debt or claim of the Guarantor against the Member shall be released or withdrawn by the Guarantor unless the Credit Union's written consent to such release or withdrawal is first obtained. The Guarantor shall not permit the prescription of any such debt or claim by any statute of limitations, assign any such debt or claim to any person other than the Credit Union, or ask for or obtain any security, negotiable paper or other evidence of any such debt or claim except for the purpose of delivering the same to the Credit Union. The Credit Union may at any time give notice to the Member requiring the Member to pay to the Credit Union all or any of such debts or claims of the Guarantor against the Member, and in such event such debts and claims are hereby assigned and transferred to the Credit Union. In the event of the liquidation, winding up or bankruptcy of the Member, or in the event that the Member shall make a sale of any of the Member's assets within the bulk transfer provisions of any applicable legislation, or in the event of any composition with creditors or scheme of arrangement, any and all dividends or other moneys which may be due or payable to the Guarantor in respect of the debts or claims of the Guarantor against the Member are hereby assigned and transferred to

and shall be due and be paid to the Credit Union, and for such payment to the Credit Union this shall be a sufficient warrant and authority to any person making the same. The Guarantor shall, at any time and from time to time at the request of and as required by the Credit Union, make execute and deliver all statements of claims, proofs of claim, assignments and other documents and do all matters and things which may be necessary or advisable for the protection of the rights of the Credit Union under and by virtue of this instrument.

- (b) The provisions of this clause are independent of and severable from the provisions of clauses 1-10 of this Guarantee and Postponement of Claim and shall remain in force whether or not the Guarantor is liable for any amount under clauses 1-10 and clause 18 and whether or not the Credit Union has received the notice referred to in paragraph 5. The provisions of this clause may, however, be terminated by the Guarantor, by written notice given to the Credit Union at any time when the Guarantor is not liable for any amount under clauses 1-10 and clause 18 by reason of the fact that the Member is not indebted or liable to the Credit Union.
12. The Credit Union shall not be bound to exhaust its recourse against the Member, other parties or the securities it may hold before being entitled to payment from the Guarantor under this Guarantee.
 13. This Guarantee is given in addition to and without prejudice to any securities of any kind, including any guarantees and postponement agreements, whether or not in the same form as this instrument, now or hereafter held by the Credit Union.
 14. There are no representations, collateral agreements or conditions with respect to this instrument, or affecting the Guarantor's liability hereunder, other than those contained herein.
 15. The terms and conditions set out in this Guarantee shall not merge with any judgment which may be obtained against the Guarantor or the Member.
 16. This instrument shall be construed in accordance with the laws of the Province of Ontario. The Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this instrument may be instituted in the courts of Ontario, and the Guarantor hereby agrees to accept and submit to the jurisdiction of the said courts, to acknowledge their competence, and to be bound by any judgement thereof. Nothing herein shall limit the Credit Union's right to bring proceedings against the Guarantor elsewhere.
 17. This Guarantee and Postponement of Claim shall extend to and enure to the benefit of the successors and assigns of the Credit Union, and shall be binding upon the Guarantor and the heirs, executors and administrators or the successors and assigns of the Guarantor.
 18. WITH RESPECT TO THE LIABILITIES OF 2465 Brock Rd Development Inc.

The liability of the Guarantor hereunder shall be limited to the sum of \$ 13,800,000.00 and shall bear interest from the date of demand for payment as heretofore provided.

Signed, Sealed and Delivered this 22 day of June, 2023 at Ajax, Ontario

To be completed by individuals, partners or sole proprietors	Signature of Witness	Signature of Guarantor
	Signature of Witness	Signature of Guarantor
To be completed by incorporated businesses	9319697 CANADA LTD.	
	Per <u>[Signature]</u> Authorized Signing Official	Sacha Singh Title <u>PRESIDENT</u>
	Per _____ Authorized Signing Official	Title _____

WHEREAS it is deemed expedient and in the best interest of the Corporation that it lend assistance to 2465 Brock Rd Development Inc. in connection with its borrowings both present and future, from **MERIDIAN CREDIT UNION LIMITED**.

1. That the Corporation do guarantee payment to **MERIDIAN CREDIT UNION LIMITED** of all present and future debts and liabilities, including interest, at any time owing by 2465 Brock Rd Development Inc. to the said Credit Union, and, that the liability of the Corporation shall be limited to the sum of \$ 13,800,000.00 together with interest from the date of demand for payment. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the liabilities of the member to the Credit Union.
2. That the Corporation do further secure **MERIDIAN CREDIT UNION LIMITED** by postponing all debts and claims, present and future, of the Corporation against 2465 Brock Rd Development Inc. to the debts and claims of the said Credit Union against 2465 Brock Rd Development Inc.
3. That the Guarantee and Postponement of Claim upon the said Credit Union's form no. 3051 a copy of which has been submitted to the Corporation, be and it is hereby approved as containing a correct statement of the terms and conditions upon which the said Guarantee and Postponement are to be made and that the said Guarantee and Postponement of Claim be executed for and in the name of the Corporation and under its corporate seal by the President with such alterations, additions, amendments and deletions as they may approve; and execution by them shall be conclusive evidence of such approval and that the Guarantee and Postponement of Claim authorized by this resolution.
4. That to secure the obligation and liability of this Corporation to the Credit Union under the aforementioned guarantee, this Corporation give security to the Credit Union by way of a General Security Agreement a specimen of which has been submitted to the Corporation.

Where no security will be taken to support the Guarantee, "Delete" and "Initial"

CERTIFICATE

It is hereby certified by the undersigned, Secretary of 9319697 Canada Ltd. that the foregoing is a true copy of a resolution of the directors of the above-named Corporation in accordance with the Charter and/or Articles and the By-laws of the Corporation and all other laws governing the Corporation, and that the said resolution was in full force and effect at the time the guarantee was signed, and, that there were, at the time of signing of the guarantee, no unanimous shareholder agreements which restrict or limit the ability of the Corporation to enter into or forfeit the terms of the guarantee.

It is further certified that at the time the guarantee was signed by Sacha Singh, who held the office(s) of President in the above-named Corporation.

Given at ATX, Ont. this 22 day of JUNE, 2023.

[Signature] c/s
 Secretary

OR

The undersigned being all if the Directors of 9319697 Canada Ltd. hereby sign the foregoing resolution this 22 day of JUNE, 2023.

[Signature]

Be it Resolved:


That as security for the existing and future liabilities of the Corporation to Meridian Credit Union Limited (herein "Meridian"), this Corporation executes and delivers to Meridian a General Security Agreement under the Personal Property Security Act, which shall serve as continuing security for all obligations of the Corporation to Meridian, in the form provided by Meridian; and

Any officer _____ of the Corporation _____ is/are hereby authorized to execute on behalf of this Corporation, documents of security and all other deeds, documents, instruments, and writings, if any, incidental or to give effect thereto, and to all other things, which they may consider to be necessary, desirable, or useful for fulfilling the Corporation's obligation to Meridian, including affixing the Corporation seal to all documents executed by them.

The undersigned Secretary of the Corporation hereby certifies the foregoing to be a true copy of a Resolution of the Board of Directors of the Corporation, passed at a meeting duly held on the 22 day of June, 2023.

Dated at ATX, Ont. this 22 day of June, 2023.

WITNESS the Corporate Seal of the Corporation



Secretary c/s

OR

The undersigned being all if the Directors of _____
hereby sign the foregoing resolution this _____ day of _____, 20_____.

This is **Exhibit "I"** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Enquiry Result

File Currency: 29DEC 2024

All Pages ▾

Show All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	2465 BROCK RD DEVELOPMENT INC.								
File Currency	29DEC 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	502595901	1	2	1	3	08FEB 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
502595901		001	1		20240208 1656 1590 0305	P PPSA	3		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2465 BROCK RD DEVELOPMENT INC.					2781555			
	Address				City	Province	Postal Code		
	18 BISSLAND DRIVE				AJAX	ON	L1Z 0C9		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	THE FORTY EIGHT CORPORATION								
	Address				City	Province	Postal Code		
	60 MARYCROFT AVE., UNIT 3				WOODBIDGE	ON	L4L 5Y5		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X		1500000		X
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	DAVID DOLSON			
	Address	City	Province	Postal Code
	712-701 EVANS AVE.	ETOBICOKE	ON	M9C 1A3

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	2465 BROCK RD DEVELOPMENT INC.						
File Currency	29DEC 2024						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	794581902	2	2	2	3	22JUN 2028	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
794581902		001	2		20230622 1238 1590 8816	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	2465 BROCK RD DEVELOPMENT INC.			
	Address	City	Province	Postal Code
	18 BISSLAND DRIVE	AJAX	ON	L1Z 0C9

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	9319697 CANADA INC.			
	Address	City	Province	Postal Code
	18 BISSLAND DRIVE	AJAX	ON	L1Z 0C9

Secured Party	Secured Party / Lien Claimant			
	MERIDIAN CREDIT UNION LIMITED			
	Address	City	Province	Postal Code
	75 CORPORATE PARK DRIVE	ST. CATHERINES	ON	L2S 3W3

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	NOTICE - SECURITY AGREEMENT CONTAINS COVENANT BY DEBTOR NOT TO GRANT SECURITY INTERESTS IN OR TRANSFER TO THIRD PARTIES THE COLLATERAL WITHOUT THE CONSENT OF THE SECURED PARTY. SPECIFIC TO THE ASSETS

Registering Agent	Registering Agent			
	BRATTYS LLP (CD) (233573)			
	Address	City	Province	Postal Code

7501 KEELE STREET, SUITE 200	VAUGHAN	ON	L4K 1Y2
------------------------------	---------	----	---------

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2465 BROCK RD DEVELOPMENT INC.								
File Currency	29DEC 2024								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	794581902	2	2	3	3	22JUN 2028			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
794581902		002	2		20230622 1238 1590 8816				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	LOCATED AT 2465 BROCK ROAD IN PICKERING, ONTARIO.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

LAST PAGE

Note: All pages have been returned.

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This is **Exhibit “J”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

SHERIFF OF/ SHÉRIF DE: REGIONAL MUNICIPALITY OF DURHAM (OSHAWA)**CERTIFICATE #/ N° DE CERTIFICAT:** 50674184-0580425B**DATE OF CERTIFICATE/ DATE DU CERTIFICAT:** 2024-DEC-30 / 2024-DÉC.-30**SHERIFF'S STATEMENT**

THIS CERTIFIES THAT THERE ARE NO ACTIVE WRITS OF EXECUTION, ORDERS OR CERTIFICATES OF LIEN FILED WITHIN THE ELECTRONIC DATABASE MAINTAINED BY THIS OFFICE IN ACCORDANCE WITH SECTION 10 OF THE *EXECUTION ACT* AT THE TIME OF SEARCHING AGAINST THE REAL AND PERSONAL PROPERTY OF:

DÉCLARATION DU SHÉRIF

CE CERTIFICAT ATTESTE QU'IL N'Y A AUCUNE ORDONNANCE ACTIVE OU AUCUN BREF D'EXÉCUTION FORCÉE OU CERTIFICAT DE PRIVILÈGE ACTIF DANS LA BASE DE DONNÉES ÉLECTRONIQUE MAINTENUE PAR CE BUREAU AUX TERMES DE L'ARTICLE 10 DE LA *LOI SUR L'EXÉCUTION FORCÉE* AU MOMENT DE LA RECHERCHE VISANT LES BIENS MEUBLES ET IMMEUBLES DE :

NAME SEARCHED / NOM RECHERCHÉ

#	PERSON OR COMPANY / PERSONNE OU SOCIÉTÉ	NAME OR SURNAME, GIVEN NAME(S) / NOM OU NOM DE FAMILLE, PRÉNOM(S)
1.	COMPANY / SOCIÉTÉ	2465 BROCK RD DEVELOPMENT INC.

CAUTION TO PARTY REQUESTING SEARCH:

1. IT IS THE RESPONSIBILITY OF THE REQUESTING PARTY TO ENSURE THAT THE NAME SEARCHED IS CORRECT.
2. BY VIRTUE OF THIS CERTIFICATE, THE SHERIFF IS ASSURING THAT THIS NAME WILL REMAIN CLEAR UNTIL THE END OF CLOSE OF THIS BUSINESS DATE, UNLESS THE SHERIFF IS DIRECTED OTHERWISE UNDER AN ORDER OF THE COURT.

AVERTISSEMENT À LA PARTIE QUI DEMANDE LA RECHERCHE :

1. IL INCOMBE À LA PARTIE QUI DEMANDE LA RECHERCHE DE S'ASSURER QUE LE NOM RECHERCHÉ EST EXACT.
2. EN VERTU DU PRÉSENT CERTIFICAT, LE SHÉRIF ASSURE QUE CE NOM DEMEURE LIBRE JUSQU' À LA FIN DE CETTE JOURNÉE DE TRAVAIL, À MOINS DE RECEVOIR DES DIRECTIVES CONTRAIRES AUX TERMES D'UNE ORDONNANCE DU TRIBUNAL.

CHARGE FOR THIS CERTIFICATE/ FRAIS POUR CE CERTIFICAT: CA\$13.00

This is **Exhibit “K”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

City of Pickering
 One The Esplanade
 Pickering, ON L1V 6K7
 T 905.420.4614
 905.683.2760
 1.866.683.2760
 Fax 905.420.5313
 propertytaxes@pickering.ca
 pickering.ca

City of
PICKERING

TAX CERTIFICATE

No: 143635 Fee Paid: \$96.00
 Date: January 2, 2025
 Roll No: 01-03-0-011-21400-0000-0 0
 Location: 2465 BROCK RD
 Description: PICKERING CON 3 PT LT 18
 Owner: 2465 BROCK RD DEVELOPMENTS IN
 Reference: FILE: 70874

SPETTER ZEITZ KLAIMAN PC
 100 SHEPPARD AVE EAST
 SUITE 850
 TORONTO ON M2N 6N5

Levy Information

Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2024		22,072.94					22,072.94
2023		21,178.97					21,178.97

Tax Information

*** Future Instalments**

Year	Tax Owing	Pen/Int Owing	Total Owing
2024	16,845.19	1,389.20	18,234.39
2023			
2022			
2021 & Prior			
Sub Total	16,845.19	1,389.20	18,234.39
Tax Loans			
Total	16,845.19	1,389.20	18,234.39

Collection Activity

I hereby certify that this statement shows all arrears of taxes against the lands described hereon, and proceedings have (not) been commenced under Part XI of the Municipal Act, 2001, S. O. 2001, c. 25, as amended. Subsequent additional levies for the current year or prior years under the provisions of the Assessment Act, as amended, the Municipal Act, as amended, or other statutes, including those resulting from assessment reconsiderations and appeals, tax appeals pursuant to Part X of the Municipal Act, 2001, S. O. 2001, c. 25, as amended, and adjustments pursuant to Part IX of the Municipal Act, 2001, S. O. 2001, c. 25, as amended, which may be billed in future years, are not included. E. & O.E.

For Treasurer: _____

Haven Beel

This is **Exhibit “L”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Meridian Credit Union Limited

Interim Statement

2465 Brock Rd Development Inc.
 18 BISSLAND Dr
 AJAX, ON, Canada
 L1Z 0C9

Branch: Pickering
 Branch Phone #: (905) 831-1121
 Date Range: 22Jun2023 - 27Dec2024
 Member #: 102595626

Product: Chequing - Business - 0 - CAD

DATE	DESCRIPTION	FUNDS	WITHDRAWALS	DEPOSITS	BALANCE
21Jun2023	Balance Forward				\$0.00
22Jun2023	Advance from Loan 1	CAD		\$12,564,052.00	\$12,564,052.00
22Jun2023	Retainer fee Previously Collected	CAD		\$13,800.00	\$12,577,852.00
22Jun2023	Funds to Solicitor In Trust - #5920138	CAD	-\$12,439,851.00		\$138,001.00
22Jun2023	CBC - New Deal fees - new Member nm	CAD	-\$138,000.00		\$1.00
22Jun2023	Transfer Out to 102595626 shrmem	CAD	-\$1.00		\$0.00
30Jun2023	Cash & Coin Fee	CAD			\$0.00
30Jun2023	System Generated Entry	CAD	-\$5.00		-\$5.00
10Jul2023	Combined Deposit	CAD		\$1,000.00	\$995.00
31Jul2023	Cash & Coin Fee	CAD			\$995.00
31Jul2023	System Generated Entry	CAD	-\$5.03		\$989.97
01Aug2023	Interest Reserve Funding	CAD		\$127,619.79	\$128,609.76
01Aug2023	Transfer Out to 102595626 loan # 1	CAD	-\$127,619.79		\$989.97
20Aug2023	Pickering Casino Resor Pickering Onca - #366647	CAD	-\$507.99		\$481.98
20Aug2023	Pickering Casino Resor Pickering Onca - #371214	CAD	-\$407.99		\$73.99
20Aug2023	Pickering Casino Resor Pickering Onca - #533698	CAD	-\$47.99		\$26.00
31Aug2023	Cash & Coin Fee	CAD			\$26.00
31Aug2023	System Generated Entry	CAD	-\$5.00		\$21.00
01Sep2023	Advance	CAD		\$101,324.74	\$101,345.74
01Sep2023	Transfer Out to 102595626 loan # 1	CAD	-\$101,324.74		\$21.00
30Sep2023	Cash & Coin Fee	CAD			\$21.00

DATE	DESCRIPTION	FUNDS	WITHDRAWALS	DEPOSITS	BALANCE
30Sep2023	System Generated Entry	CAD	-\$5.00		\$16.00
01Oct2023	Advance	CAD		\$98,839.05	\$98,855.05
01Oct2023	Transfer Out to 102595626 loan # 1	CAD	-\$98,839.05		\$16.00
31Oct2023	Cash & Coin Fee	CAD			\$16.00
31Oct2023	System Generated Entry	CAD	-\$5.00		\$11.00
01Nov2023	Advance LN 1	CAD		\$102,922.76	\$102,933.76
01Nov2023	Transfer Out to 102595626 loan # 1	CAD	-\$102,922.76		\$11.00
30Nov2023	Cash & Coin Fee	CAD			\$11.00
30Nov2023	System Generated Entry	CAD	-\$5.00		\$6.00
01Dec2023	Advance	CAD		\$100,397.86	\$100,403.86
01Dec2023	Transfer Out to 102595626 loan # 1	CAD	-\$100,397.86		\$6.00
31Dec2023	Cash & Coin Fee	CAD			\$6.00
31Dec2023	System Generated Entry	CAD	-\$5.00		\$1.00
01Jan2024	Advance	CAD		\$104,545.99	\$104,546.99
01Jan2024	Transfer Out to 102595626 loan # 1	CAD	-\$104,545.99		\$1.00
31Jan2024	Cash & Coin Fee	CAD			\$1.00
31Jan2024	System Generated Entry	CAD	-\$5.00		-\$4.00
01Feb2024	Advance	CAD		\$105,380.64	\$105,376.64
01Feb2024	Transfer Out to 102595626 loan # 1	CAD	-\$105,380.64		-\$4.00
05Feb2024	Combined Deposit	CAD		\$50.00	\$46.00
29Feb2024	Cash & Coin Fee	CAD			\$46.00
29Feb2024	System Generated Entry	CAD	-\$5.01		\$40.99
01Mar2024	Advance	CAD		\$99,368.92	\$99,409.91
01Mar2024	Transfer Out to 102595626 loan # 1	CAD	-\$99,368.92		\$40.99
31Mar2024	Cash & Coin Fee	CAD			\$40.99
31Mar2024	System Generated Entry	CAD	-\$5.00		\$35.99
01Apr2024	LN 1 Advance	CAD		\$107,015.27	\$107,051.26
01Apr2024	Transfer Out to 102595626 loan # 1	CAD	-\$107,015.27		\$35.99
30Apr2024	Cash & Coin Fee	CAD			\$35.99
30Apr2024	System Generated Entry	CAD	-\$5.00		\$30.99

DATE	DESCRIPTION	FUNDS	WITHDRAWALS	DEPOSITS	BALANCE
01May2024	Advance	CAD		\$104,389.96	\$104,420.95
01May2024	Transfer Out to 102595626 loan # 1	CAD	-\$104,389.96		\$30.99
31May2024	Cash & Coin Fee	CAD			\$30.99
31May2024	System Generated Entry	CAD	-\$5.00		\$25.99
03Jun2024	Interest LN 1	CAD		\$108,703.04	\$108,729.03
03Jun2024	Transfer Out to 102595626 loan # 1	CAD	-\$108,703.04		\$25.99
30Jun2024	Cash & Coin Fee	CAD			\$25.99
30Jun2024	System Generated Entry	CAD	-\$5.00		\$20.99
05Jul2024	Loan Auto nsf charge	CAD	-\$48.00		-\$27.01
11Jul2024	Combined Deposit	CAD		\$50.00	\$22.99
16Jul2024	2465 Brock Rd Development	CAD		\$103,800.00	\$103,822.99
16Jul2024	Transfer Out to 102595626 loan # 1	CAD	-\$103,630.24		\$192.75
26Jul2024	Internal Lien Search Fee	CAD	-\$38.13		\$154.62
31Jul2024	Cash & Coin Fee	CAD			\$154.62
31Jul2024	System Generated Entry	CAD	-\$5.09		\$149.53
01Aug2024	Brock Rd Development Inc.	CAD		\$104,000.00	\$104,149.53
05Aug2024	Loan Auto nsf charge	CAD	-\$48.00		\$104,101.53
06Aug2024	Combined Deposit	CAD		\$2,000.00	\$106,101.53
06Aug2024	Transfer Out to 102595626 loan # 1	CAD	-\$105,998.72		\$102.81
31Aug2024	BMO Draft	CAD		\$140,000.00	\$140,102.81
31Aug2024	Cash & Coin Fee	CAD	-\$4.50		\$140,098.31
31Aug2024	System Generated Entry	CAD	-\$5.00		\$140,093.31
01Sep2024	Transfer Out to 102595626 loan # 1	CAD	-\$103,742.64		\$36,350.67
30Sep2024	Cash & Coin Fee	CAD			\$36,350.67
30Sep2024	System Generated Entry	CAD	-\$5.00		\$36,345.67
05Oct2024	Loan Auto nsf charge	CAD	-\$48.00		\$36,297.67
22Oct2024	Outgoing Wire Transfer - #6170737	CAD	-\$13,030.00		\$23,267.67
31Oct2024	Cash & Coin Fee	CAD			\$23,267.67
31Oct2024	System Generated Entry	CAD	-\$5.00		\$23,262.67
30Nov2024	Cash & Coin Fee	CAD			\$23,262.67

DATE	DESCRIPTION	FUNDS	WITHDRAWALS	DEPOSITS	BALANCE
30Nov2024	System Generated Entry	CAD	-\$5.00		\$23,257.67

This is **Exhibit “M”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19



Sudbury ON P3A 5C1

0000530

Notice details

Business number	82105 0523 RC0001
Date issued	Mar 26, 2024

9319697 CANADA LTD.
18 BISSLAND DR
AJAX ON L1Z 0C9

Corporation income tax assessment

These notice(s) explain the results of our assessment of your T2 corporation income tax return(s). We assessed your T2 corporation income tax return(s) and calculated your balance.

The amount you need to pay is **\$68,899.87**.

To avoid additional interest charges, please pay by **April 15, 2024**.

Thank you,

Bob Hamilton
Commissioner of Revenue

Account summary

Previous payments may not appear if they have not been processed. If you have already paid the balance owing, please ignore this request.

Total balance: \$68,899.87
Pay by: April 15, 2024

Go paperless!

Get your mail online through My Business Account.

1. Sign in at canada.ca/my-cra-business-account
2. Select "Notification preferences"



Sudbury ON P3A 5C1

9319697 CANADA LTD.
18 BISSLAND DR
AJAX ON L1Z 0C9

Notice details

Business number	82105 0523 RC0001
Tax year-end	Dec 31, 2023
Date issued	Mar 26, 2024

Corporation notice of assessment

Results

This notice explains the result of our assessment of your T2 corporation income tax return. It also explains any changes we may have made. For more details, see the summary section of this notice.

Description	\$ Amount	CR
Result of this assessment	0.00	
Result of reassessment for reporting period ending December 31, 2022	209,169.53	CR
Result of reassessment for reporting period ending December 31, 2021	45,861.92	CR
Result of reassessment for reporting period ending December 31, 2020	35,545.50	CR
Previous balance	359,476.82	
Total balance	68,899.87	

If you pay the full amount by **April 15, 2024**, we will not charge more interest. If a credit becomes available on the same or a related business account, we will apply that credit to any amount you owe.

For more information, please see the summary and explanation of changes and other important information sections of this notice.

Thank you,

Bob Hamilton
Commissioner of Revenue

9319697 CANADA LTD.

Notice details

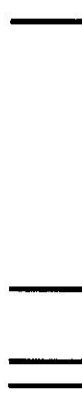
Business number	82105 0523 RC0001
Tax year-end	Dec 31, 2023
Date issued	Mar 26, 2024

Summary

Description	\$ Reported CR	\$ Assessed CR
Federal tax		
Part I	0.00	0.00
Total federal tax		0.00
Net balance		0.00
Result of this assessment		0.00
Total balance for this tax year-end		68,899.87

Explanation of changes and other important information

We changed the non-capital loss closing balance on Schedule 4, Corporation Loss Continuity and Application, to **\$3,897,225.00**, to match our records.



This is **Exhibit “N”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19



June 11, 2024

2465 Brock Rd Development Inc.
18 Bissland Drive
Ajax, Ontario
L1Z 0C9

Attention Mr. Sacha Singh:

Re: Notice of Default and Reservation of Rights

We refer to the letter from Meridian Credit Union Limited ("**Meridian**") to 2465 Brock Rd Development Inc. (the "**Member**") dated June 22, 2023 and accepted by the Member on June 22, 2023 (the "**Credit Agreement**").

Capitalized terms used in this letter and not otherwise defined shall have the same meanings as set out in the Credit Agreement. All Credit Facilities are available on a demand basis only and Meridian may terminate the Credit Facilities at any time.

The Credit Agreement requires compliance by the Member and the Guarantors with the terms of the Credit Agreement and the other loan documents. The Member and the Guarantors are not in compliance with the terms of the Credit agreement including, but not limited to, the following (the "**Ongoing Breaches and Defaults**"):

1. The Member has advised that the Corporate Guarantor's government obligations have not been met in the aggregate sum of approximately \$68,900, with balances outstanding for income tax; and
2. The Member remains in non-compliance with Positive Covenant 5, which requires the maintenance of day-to-day banking accounts with Meridian, with all revenues, expenses and debt repayment conducted through this account. There is minimal activity in the Meridian current account.
3. The Member is in non-compliance with the requirement to provide documentation noted under the "Reporting Covenants" section of the Credit Agreement within the stipulated timeline(s) for the most recent fiscal year. Specifically,

- a. The Member's December 31, 2023 FYE Compilation Engagement Report Financial Statements remain outstanding;
- b. The Corporate Guarantor's December 31, 2023 FYE Compilation Engagement Report Financial Statements remain outstanding;
- c. Confirmation that property taxes are current (through copy of a paid Tax Receipt or interim billing showing no arrears) remains outstanding;
- d. Rent roll including details of tenants, lease terms (amounts, renewals, expiry, arrears) remains outstanding.

Notwithstanding the foregoing, which would have entitled Meridian to declare any or all of the Indebtedness or any other obligations under the Financing Documents to be immediately due and payable, Meridian is prepared to forbear action on the ongoing breaches and defaults and to continue to support the Member through these circumstances and keep the Credit Facilities available until **June 22, 2024** by adding the following conditions:

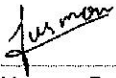
1. Member to provide all of the above-noted reporting requirements by no later than June 22, 2024;
2. Member to enter into a repayment plan with the Canada Revenue Agency, and provide Meridian with a copy of said agreement by no later than June 22, 2024. The repayment plan is to be acceptable to Meridian;
3. Member to provide a detailed update in planning status, supported by a report from Bousfields Inc., in conjunction with the necessary third-party professionals, providing updates regarding SPA status, estimated timing on SPA approval and commencement of construction, details and timing of conclusion of the Duffin Heights cost-sharing agreement and estimated costs in this regard, status of site servicing (sewer and water services, Regional roads), and the Member's obligations with reference thereto. The report is to be provided to Meridian no later than June 22, 2024;
4. Member to provide details regarding group liquidity and access to capital, with supporting documentation confirming asset & liability values and verifying income. To be provided to Meridian no later than June 22, 2024;
5. Member to provide updated/current details regarding the status of the Proposed Joint Venture with GreenPark related to the property located at 3060 Highway 7, Pickering, Ontario (held by 3060 Hwy 7 Holdings Inc.), with supporting documentation. The update is to specifically include details of when the municipality will approve the change in the urban boundary that will redesignate the Northeast Pickering lands, with supporting correspondence from the municipality. To be provided to Meridian no later than June 22, 2024;
6. Member to provide confirmation that PPSA registration against the Corporate Guarantor in favour of BMO has been discharged and all associated borrowings repaid. To be provided to Meridian no later than June 22, 2024;
7. Meridian does not become aware of any other breaches of the Credit Agreement or defaults or events of default under the Credit Agreement save and except the Ongoing Breaches and Defaults.

The defaults and our rights arising from the defaults are not waived but are preserved. Our agreement to continue providing credit is not to be taken as an indication that Meridian has waived or acquiesced to the defaults or any other defaults. All of the terms and conditions set out in the Credit Agreement continue to be applicable and we expressly reserve and preserve our rights with respect to all defaults including, without limitation, our rights of immediate acceleration as set out in the Credit Agreement.

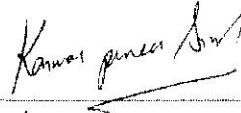
If you have any questions, please do not hesitate to contact the undersigned.

We require the Member and the Guarantors to acknowledge acceptance by signing this amendment in the space indicated below and returning it to our office by the close of business on **June 14, 2024**.

Yours truly,
MERIDIAN CREDIT UNION LIMITED



Rana Usman Fakhar
Relationship Manager



Kanwar Singh
Director & Team Lead

ACKNOWLEDGEMENT:

The undersigned hereby confirms receipt of this letter, acknowledges and accepts the within letter and the terms and conditions contained there-in.

2465 Brock Rd Development Inc.



Signature of Authorized Officer
(I have the authority to bind the Corporation)

SACHA SINGH
Name/Title DIRECTOR, PRES.

JUNE 14/24
Date


Signature of Authorized Officer
(I have the authority to bind the Corporation)

Name/Title

Date

GUARANTORS

9319697 Canada Ltd.



Signature of Authorized Officer
(I have the authority to bind the Corporation)

SACHA SINGH
Name/Title DIRECTOR, PRES.

JUNE 14/24
Date

Signature of Authorized Officer
(I have the authority to bind the Corporation)

Name/Title

Date

Sacha Singh



Guarantor Signature

JUNE 14/24
Date

This is **Exhibit “O”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19



St. Catharines
Business Credit Department
 75 Corporate Park Drive
 St. Catharines, ON L2S 3W3

Telephone: 519-835-4735
 Facsimile: 905-988-4003

STATEMENT OF BALANCE FOR DISCHARGE PURPOSES

01-Nov-24 Spetter Zeitz Klaiman PC 100 Sheppard Ave. E., suite #850 Toronto, ON M2N 6N5 Attn: Jason Spetter Prepared by: Ramona Beattie MERIDIAN CREDIT UNION LIMITED Commercial Credit Specialist ramona.beattie@meridiancu.ca	NAME OF MEMBER: 2465 Brock Rd Development Inc. PROPERTY DESCRIPTION: Pt Lt 18 Con 3 Pickering as in CO218530 Except Pt 1, Exprop PI 260 and Except Pt 1 Plan 40R25886; City of Pickering CIVIC ADDRESS: 2465 Brock Road, Pickering, Ontario MEMBER REFERENCE #: 102595626 INTEREST RATE: Prime+2.20% REGISTRATION NO.: DR2240625 and DR2240626 STATEMENT EFFECTIVE: 01-Nov-24
--	---

Loan-1: Installment Loan

Principal Balance Outstanding as at:	01-Nov-24	\$	13,724,560.02
Interest from	1-Sep-24 to: 31-Oct-24	\$	197,276.45
Total Amount as at:	01-Nov-24	\$	13,921,836.47
PER DIEM P+2.20%		\$	3,064.53
Administrative Fee		\$	2,900.00
TOTAL INDEBTEDNESS:		\$	13,924,736.47
		\$	3,064.53

REMARKS: Meridian's Prime Rate is currently 5.95% per annum.
 Payment must be received by Meridian not later than 1:00p.m. on the Statement Effective Date.
 If funds are not received by 1:00p.m. on the Statement Effective Date, the per diem amount of interest is to be added for each day, from and including the Statement Effective Date.
 Error and omissions excepted.
 Adjustments will be necessary if any entries are reversed or if sundry items are paid.

Specific Instructions (click all that apply):

- SOLICITOR will be responsible for the preparation and registration of discharge. Please provide the A&D at payout. Once registered, please provide Meridian with a copy of the discharge.**
- Meridian will be responsible for the discharge of PPSA Registration No. 2023 0622 1238 1590 8816. A copy will be provided to your office.**
- Meridian will be not be discharging PPSA Registration No. 2023 0622 1238 1590 8816 as it supports other borrowing**

PAYMENT OPTIONS:

OPTION ONE: Certified cheque or bank draft payable to: Meridian Credit Union Limited. Funds may be delivered to any Meridian Credit Union Branch. Funds to be deposited to GL 1158 Admin Sub 147.

OPTION TWO: Wire funds to Meridian via instructions below. Once funds have been wired to Meridian, please send an email to the address noted above, along with a copy of the wire receipt.

Address of financial institution in Canada (Receiver): SWIFT BIC: CUCXCATTVAN Central 1 Credit Union

Beneficiary Bank (field 57): Meridian Credit Union
Transit/Routing Number: 62022-837
Address of branch: 75 Corporate Park Drive, St. Catharines, Ontario, L2S 3W3

Beneficiary (field 59): **Member's Full Name:** Meridian-Business Banking Ops. Wire Settlement
Account Number: 010114928411
Address: 75 Corporate Park Drive, St. Catharines, Ontario, L2S 3W3

Herewith please find our mortgage statement in respect of the above-noted matter. You will note that our statement contains the "E. and O.E." qualification, which is customary in the financial services industry. While Meridian makes every reasonable attempt to ensure that its mortgage statements are accurate, errors are possible. Notwithstanding your effort to raise an estoppel against Meridian, please be advised that this statement is delivered to you only on the basis that Meridian expressly reserves the right to refuse to deliver a discharge of the mortgage until such time as all moneys due under the mortgage have been paid.

This is **Exhibit “P”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Meridian Credit Union Limited

Interim Statement

2465 Brock Rd Development Inc.
 18 BISSLAND Dr
 AJAX, ON, Canada
 L1Z 0C9

Branch: Pickering
 Branch Phone #: (905) 831-1121

Date Range: 01Jan2024 - 24Dec2024
 Member #: 102595626

Product: Demand Loan - Business/AGRI - 1 - CAD
 Approved Amount: 13,724,560.02
 Payment Amount: \$0.00
 Current Rate: 7.6500%
 Term Length: 1yrs

DATE	DESCRIPTION	INTEREST	PRINCIPAL	PROPERTY TAX	BALANCE
31Dec2023	Balance Forward				-\$13,095,156.20
01Jan2024	Loan Advance		-\$104,545.99		-\$13,199,702.19
01Jan2024	Transfer In from 102595626 cheq	-\$104,545.99			-\$13,199,702.19
01Feb2024	Loan Advance		-\$105,380.64		-\$13,305,082.83
01Feb2024	Transfer In from 102595626 cheq	-\$105,380.64			-\$13,305,082.83
01Mar2024	Loan Advance		-\$99,368.92		-\$13,404,451.75
01Mar2024	Transfer In from 102595626 cheq	-\$99,368.92			-\$13,404,451.75
01Apr2024	Loan Advance		-\$107,015.27		-\$13,511,467.02
01Apr2024	Transfer In from 102595626 cheq	-\$107,015.27			-\$13,511,467.02
01May2024	Loan Advance		-\$104,389.96		-\$13,615,856.98
01May2024	Transfer In from 102595626 cheq	-\$104,389.96			-\$13,615,856.98
03Jun2024	Loan Advance		-\$108,703.04		-\$13,724,560.02
03Jun2024	Transfer In from 102595626 cheq	-\$108,703.04			-\$13,724,560.02
01Jul2024	Loan Maturity				-\$13,724,560.02
16Jul2024	Transfer In from 102595626 cheq	-\$103,630.24			-\$13,724,560.02
06Aug2024	Transfer In from 102595626 cheq	-\$105,998.72			-\$13,724,560.02
01Sep2024	Transfer In from 102595626 cheq	-\$103,742.64			-\$13,724,560.02

This is **Exhibit “Q”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

Our File No. 70874

November 1, 2024

BY REGISTERED MAIL AND BY REGULAR MAIL

Personal & Confidential

2465 Brock Rd Development Inc.

18 Bissland Drive
Ajax, Ontario L1Z 0C9

Attention: Sacha Singh

2465 Brock Rd Development Inc.

2465 Brock Road
Pickering, Ontario L1V 2P8

Attention: Sacha Singh

**Re: 2465 Brock Rd Development Inc. (the “Member”)
and Meridian Credit Union Limited (“Meridian”)**

Please be advised we are lawyers for Meridian. The Member is indebted to Meridian pursuant to a Credit Agreement dated June 22, 2023, provided by Meridian to the Member as hereinafter indicated:

Loan No. 1:

Principal amount outstanding as of the close of business October 31, 2024	\$13,724,560.02	
Accrued and unpaid interest for the period up to and including October 31, 2024	\$197,276.45	
Administrative Fee	\$2,900.00	
Sub-Total:		\$13,924,736.47

Interest continuing to accrue based on the current prime rate of interest of 5.95% plus 2.20% per annum at \$3,064.53 per diem based on the current principal amount outstanding until the date of receipt of payment or judgment.

TOTAL: \$13,924,736.47

As you are in default of your payment obligations to and/or your covenants with Meridian, as authorized agents of Meridian, we hereby demand repayment in full of the foregoing indebtedness totalling \$13,924,736.47 with respect to the said facilities, plus all legal fees and disbursements incurred by Meridian due to the said default, up to and including the date of payment. Please be advised if we are not in receipt of payment in full of the foregoing amount, including interest accrued up to and including the date of receipt of payment on or before the close of business November 18, 2024 (the "Demand Date") we have instructions from Meridian to commence whatever legal proceedings we deem necessary in order to recover the full amount of the indebtedness due and owing by the Member to Meridian and to enforce all security held by Meridian for the obligations of the Member to Meridian as contemplated in the enclosed notice of intention to enforce security.

Please be advised that we are simultaneously making demand upon the guarantors of the obligations of the Member to Meridian.

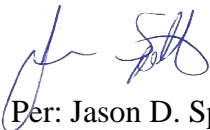
Please be advised the time frame indicated in this demand is without prejudice to Meridian terminating its relationship with the Member if at any time between the date hereof and the Demand Date the Member commits an event of default pursuant to any agreement entered into by the Member with Meridian or the Member conducts itself in such a manner as to cause Meridian to feel insecure with respect to the security position held by Meridian for the indebtedness due and owing by the Member to Meridian.

If the foregoing amounts fluctuate for any reason whatsoever between the date hereof and the date of payment of the indebtedness of the Member to Meridian, please consider this demand effective with respect to whatever the balance of principal plus accrued and unpaid interest may be at any time between the date hereof and the Demand Date and if not paid on or before the Demand Date, be considered a demand for the balance due and owing as of the Demand Date.

Please find enclosed a notice of intention to enforce security being served upon you pursuant to the provisions of the *Bankruptcy and Insolvency Act*.

Yours very truly,

SPETTER ZEITZ KLAIMAN PC



Per: Jason D. Spetter
JDS/tk
Encl.

c. client
c. guarantors

FORM 86
NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

TO: **2465 BROCK RD DEVELOPMENT INC.**, an insolvent person

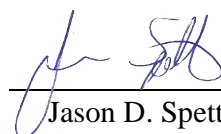
TAKE NOTICE THAT:

1. **MERIDIAN CREDIT UNION LIMITED**, a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - (a) All assets including personal property, accounts receivable, inventory, equipment, goodwill and intangibles of the insolvent person, wherever located;
 - (b) All of your right, title and interest in real property comprised of the following:
 - i. PT LT 18 CON 3 PICKERING AS IN CO218530 EXCEPT PT 1, EXPROP PL 260 AND EXCEPT PT 1 PLAN 40R25886; CITY OF PICKERING PIN 26408-0420 (LT)
and municipally known as 2465 Brock Road, Pickering, Ontario L1V 2P8 (the "Property")
2. The security that is to be enforced is comprised of:
 - (a) A Mortgage/Charge executed and delivered by the insolvent person to Meridian Credit Union Limited for the sum of \$15,250,000.00 registered as DR2240625 on June 22, 2023, registered in the Land Registry Office No. 40 for Durham Region with respect to the Property;
 - (b) A General Security Agreement executed and delivered by the insolvent person in favour of Meridian Credit Union Limited dated June 14, 2023.
3. The total amount of the indebtedness secured by the security is **\$13,924,736.47** including principal and interest as of October 31, 2024 together with interest and costs continuing to accrue.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 1st day of November, 2024

MERIDIAN CREDIT UNION LIMITED
by its authorized agent herein
SPETTER ZEITZ KLAIMAN PC

Per: _____


Jason D. Spetter

This Notice is a required document under the *Bankruptcy & Insolvency Act* ("Act"). The use of the word "insolvent" is prescribed by the Act but nothing in it shall be deemed to imply that any person to whom this Notice is delivered is, in fact, insolvent.

Our File No. 70874

November 1, 2024

BY REGISTERED MAIL AND BY REGULAR MAIL

Personal & Confidential

Sacha Singh

18 Bissland Drive
Ajax, Ontario L1Z 0C9

Sacha Singh

120 Midwest Road
Scarborough, Ontario M1P 3B2

**Re: 2465 Brock Rd Development Inc. (the “Member”)
and Meridian Credit Union Limited (“Meridian”)**

Please be advised we are solicitors for Meridian and confirm that you have guaranteed the obligations of the Member to Meridian pursuant to a guarantee limited to the amount of \$13,800,000.00 dated June 14, 2023.

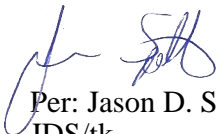
Please find enclosed a copy of a letter demanding repayment from the Member of its indebtedness to Meridian and a copy of the Notice of Intention to Enforce Security which was served upon the Member.

Pursuant to the guarantee executed by you, we hereby demand payment from you of \$13,800,000.00 on account of the monies due and owing by the Member to Meridian, plus interest accruing thereon, pursuant to the terms of the guarantee at Meridian’s prime rate of interest plus 2.20% per annum, calculated from the date hereof until the date of receipt of payment or judgment.

Please be advised if we are not in receipt of payment in full of the said indebtedness of the Member to Meridian as demanded from the Member or payment from you of your obligations pursuant to the said guarantee on or before the close of business November 18, 2024 we have instructions to commence whatever legal proceedings we deem necessary in order to recover the said monies demanded herein, plus interest thereon from the date of demand from you as a guarantor of the obligations of the Member to Meridian, including enforcing all security provided by you to Meridian.

Yours very truly,

SPETTER ZEITZ KLAIMAN PC



Per: Jason D. Spetter
JDS/tk
Encl.
c. client

Our File No. 70874

November 1, 2024

BY REGISTERED MAIL AND BY REGULAR MAIL

Personal & Confidential

9319697 Canada Ltd.
120 Midwest Road
Scarborough, Ontario M1P 3B2

9319697 Canada Ltd.
18 Bissland Drive
Ajax, Ontario L1Z 0C9

**Re: 2465 Brock Rd Development Inc. (the “Member”)
and Meridian Credit Union Limited (“Meridian”)**

Please be advised we are solicitors for Meridian and confirm that you have guaranteed the obligations of the Member to Meridian pursuant to a guarantee limited to the amount of \$13,800,000.00 dated June 22, 2023.

Please find enclosed a copy of a letter demanding repayment from the Member of its indebtedness to Meridian and a copy of the Notice of Intention to Enforce Security which was served upon the Member.

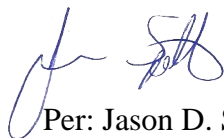
Pursuant to the guarantee executed by you, we hereby demand payment from you of \$13,800,000.00 on account of the monies due and owing by the Member to Meridian, plus interest accruing thereon, pursuant to the terms of the guarantee at Meridian’s prime rate of interest plus 2.20% per annum, calculated from the date hereof until the date of receipt of payment or judgment.

Please be advised if we are not in receipt of payment in full of the said indebtedness of the Member to Meridian as demanded from the Member or payment from you of your obligations pursuant to the said guarantee on or before the close of business November 18, 2024 we have instructions to commence whatever legal proceedings we deem necessary in order to recover the said monies demanded herein, plus interest thereon from the date of demand from you as a guarantor of the obligations of the Member to Meridian, including enforcing all security provided by you to Meridian.

Please find enclosed a Notice of Intention to Enforce Security being served upon you pursuant to the provisions of the *Bankruptcy and Insolvency Act*.

Yours very truly,

SPETTER ZEITZ KLAIMAN PC



Per: Jason D. Spetter
JDS/tk
Encl.
c. client

FORM 86
NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

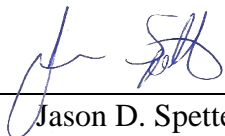
TO: **9319697 CANADA LTD.**, an insolvent person

TAKE NOTICE THAT:

1. **MERIDIAN CREDIT UNION LIMITED**, a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - (a) All assets including personal property, accounts receivable, inventory, equipment, goodwill and intangibles of the insolvent person, wherever located, including those assets located at 18 Bissland Road, Ajax, Ontario L1Z 0C9 and/or 120 Midwest Road, Scarborough, Ontario M1P 3B2.
2. The security that is to be enforced is comprised of:
 - (a) A General Security Agreement executed and delivered by the insolvent person in favour of Meridian Credit Union Limited dated June 22, 2023.
3. The total amount of the indebtedness secured by the security is \$13,924,736.47 including principal and interest as of October 31, 2024, together with interest and costs continuing to accrue.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 1st day of November, 2024.

MERIDIAN CREDIT UNION LIMITED
by its authorized agent herein
SPETTER ZEITZ KLAIMAN PC

Per: 

Jason D. Spetter

This Notice is a required document under the *Bankruptcy & Insolvency Act* (“Act”). The use of the word “insolvent” is prescribed by the Act but nothing in it shall be deemed to imply that any person to whom this Notice is delivered is, in fact, insolvent.

This is **Exhibit “R”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

From: Sacha Singh <sacha@dandsgroup.ca>

Sent: September 27, 2024 9:14 AM

To: Jason Spetter <jspetter@szklaw.ca>

Cc: Sim Manocha <sim.manocha@avinacapital.ca>

Subject: Re: Meridian Credit Union ("Meridian") re 2465 Brock Rd Development Inc. (the "Member")

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Morning Jason. I just came back from Windsor with my construction team as we have been deeply engaged on the construction side of things. I will be touching base with my lawyer today and circle back to you. When we were speaking with Meridian we discussed a few things for an "extention" and not a forbearance and there are details in there that I would like to address.

In regards to the exit with Columbo Capital, things are going very well and I am expecting a JV agreement draft soon as the next steps with them and we will have an actual closing date which we are expecting to be the end of October. The land will be paid off in full at that time.

Looking forward to the next steps

Sacha

This is **Exhibit “S”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

From: Michael Forrester <michael@forresterlaw.ca>

Sent: November 19, 2024 2:50 PM

To: Jason Spetter <jspetter@szklaw.ca>

Cc: Sacha Singh <sacha@dandsgroup.ca>

Subject: Re: 2465 Brock Rd (Evergreen Condos)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jason

Attached is a form of the Forbearance Agreement that reflects that my client is not in a position to pay all the amounts Meridian originally requested.

Michael G. Forrester, B.A., LL.B.

Barrister & Solicitor

82 Ontario Street South

Grand Bend, Ontario

N0M 1T0

Michael@forresterlaw.ca

Telephone: (519)238-5297 Fax: (519)238-5234

From: Michael Forrester <michael@forresterlaw.ca>

Sent: November 19, 2024 8:39 AM

To: Jason Spetter <jspetter@szklaw.ca>

Cc: Sacha Singh <sacha@dandsgroup.ca>

Subject: Re: 2465 Brock Rd (Evergreen Condos)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

We had productive conversations with the US lender/buyer last week and are hopeful of concluding an agreement this week. When I have a final version of the agreement, I will forward it to you.

Michael G. Forrester, B.A., LL.B.

Barrister & Solicitor

82 Ontario Street South

Grand Bend, Ontario

N0M 1T0

Michael@forresterlaw.ca

Telephone: (519)238-5297 Fax: (519)238-5234

This is **Exhibit “T”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

From: Michael Forrester <michael@forresterlaw.ca>
Sent: November 29, 2024 12:36 PM
To: Jason Spetter <jspetter@szklaw.ca>
Subject: Re: 2465 Brock Rd (Evergreen Condos)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I spoke with my client and he advises that his refinancing should happen in December. No, he is not in a position to pay the December payment (or November if he did not make that one either)

Michael G. Forrester, B.A., LL.B.

Barrister & Solicitor

82 Ontario Street South

Grand Bend, Ontario

NOM 1T0

Michael@forresterlaw.ca

Telephone: (519)238-5297 Fax: (519)238-5234

This is **Exhibit “U”** referred to
in the Affidavit of Ramune Beattie
Sworn before me this 3rd
Day of January, 2025



A commissioner for taking Affidavits Virtually
Commissioned by Jakob Bogacki
LSO#85032Q, as per LSO corporate statement re COVID-19

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c.B-3 AS AMENDED;

IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990 c.C-43, AS AMENDED

B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

-and-

2465 BROCK RD DEVELOPMENT INC.

Respondent

CONSENT TO ACT AS RECEIVER

MSI SPERGEL INC. hereby consents to act as Receiver of the assets, undertakings, and properties of 2465 Brock Rd Development Inc. as described in the form of the draft Order included with the Applicant's Application Record with such amendments as may be ordered by the Court.

Dated: January 2ND, 2025

MSI SPERGEL INC.

Per: _____

Name: _____

I have authority to bind the corporation.

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

MERIDIAN CREDIT UNION LIMITED
Applicant

-and- 2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.: CV-24-00733400-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF RAMUNE BEATTIE

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5
Tel: (416) 789-0652
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JASON D. SPETTER
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Lawyers for the Applicant

TAB 3

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

PLAINTIFF[†]

Plaintiff

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

DEFENDANT

Defendant

2465 BROCK RD DEVELOPMENT INC.

Respondent

**ORDER
(~~appointing~~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 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~~capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~2465 Brock Rd Development Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

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

SERVICE

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

APPOINTMENT

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

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.~~

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,
 - (i) without the approval of this Court in respect of any transaction not exceeding ~~\$ _____, \$50,000.00,~~ provided that the aggregate consideration for all such transactions does not exceed ~~\$ _____; \$200,000.00;~~ and

~~⁴ This 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.~~

- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

~~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.~~

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.

~~7.~~

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to

the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

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

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

~~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".~~

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 ~~\$~~ \$250,000.00 (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/](#)) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<[@](#)>'.

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

GENERAL

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

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

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

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

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

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

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]~~ 2465 BROCK RD DEVELOPMENT INC. 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 ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~, MSI SPERGEL INC.,
solely in its capacity
-as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

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

MERIDIAN CREDIT UNION LIMITED
Applicant

-and-

2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at
TORONTO

ORDER

SPETTER ZEITZ KLAIMAN PC
Barristers & Solicitors
100 Sheppard Avenue East, Suite 850
Toronto, Ontario M2N 6N5

JASON D. SPETTER
LSO No. 46105S
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Email: jseptter@szklaw.ca

Lawyers for the Applicant

TAB 4

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

2465 BROCK RD DEVELOPMENT INC.

Respondent

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Plaintiff 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 capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties of 2465 Brock Rd Development Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Ramona Beattie sworn [DATE] and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]

although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

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

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; 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, 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 \$250,000.00 (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/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.

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

GENERAL

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

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

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

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

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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

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 **2465 BROCK RD DEVELOPMENT INC.** 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 ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

MSI SPERGEL INC., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

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

MERIDIAN CREDIT UNION LIMITED
Applicant

-and-

2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at
TORONTO

ORDER

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IN THE MATTER OF SECTION 243 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C.1985, c.B-3 AS AMENDED;
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2465 BROCK RD DEVELOPMENT INC.
Respondent

Court File No.: CV-24-00733400-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

APPLICATION RECORD

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