

Court File No. CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

APPLICATION RECORD

June 18, 2024

MILLER THOMSON LLP
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P.O. Box 1011
Toronto ON M5H 3S1

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Lawyers for the Applicant

TO: THE SERVICE LIST ATTACHED HERETO A SCHEDULE "A"

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

-and-

1000209217 ONTARIO LTD.

Respondent

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

SERVICE LIST
(AS AT JUNE 18, 2024)

TO:	<p>MILLER THOMSON LLP Scotia Plaza 40 King Street West, Suite 5800 P.O. Box 1011 Toronto, ON M5H 3S1</p> <p>Matthew Cressatti LSO#: 77944T Email: mcressatti@millერთhomson.com Tel: 416.597.4311</p> <p>Patrick Corney LSO#: 65462N Email: pcorney@millერთhomson.com Tel: 416.595.8555</p> <p>Lawyers for the Applicant</p>
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AND TO:	MSI SPERGEL INC. 120 Adelaide St W Toronto, ON M5H 1T1 Philip Gennis Email: PGennis@spergel.ca Tel: 416.457.4773 Proposed Receiver
AND TO:	1000209217 ONTARIO LTD. 150 York Street, Suite 1008 Toronto, ON M5H 3S5 Paul Thomson Email: ptpharm@sympatico.ca Respondent
AND TO:	ELIZABETH & CO. HOLDINGS INC. 1244 Riverdale Ave Cornwall, On K6J 5V4 Elizabeth Eskander (President) Email: leeza.eskander@gmail.com Landlord
SECURED CREDITORS	
AND TO:	COTTON MILL PHARMACY INC. 34 Malachigan Crois. Ottawa, ON K4A 1 G6
AND TO:	2471911 ONTARIO INC. 34 Malachigan Crois. Ottawa, ON K4A 1 G6
AND TO:	MCKESSON CANADA CORPORATION 2300 Meadowvale Blvd. Mississauga, ON L5N5P9
AND TO:	CWB NATIONAL LEASING INC. 1525 Buffalo Place (3165811) Winnipeg, MB R3T 1L9

AND TO:	MCKESSON CANADA 8290, boulevard Pie-IX Montreal, QC H1Z 4E8 Bernard Lefebvre CPA, CCP Email : bernard.lefebvre@mckesson.ca Tel : 514.593.2242
AND TO:	CANADA REVENUE AGENCY Ontario Regional Office Department of Justice Canada 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1 Tel: 416-973-0942 Alt: 647-256-1663 Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
AND TO:	ATTORNEY GENERAL OF CANADA Per: Kevin Dias, General Counsel Department of Justice 120 Adelaide Street West Suite 400 Toronto, Ontario, M5H 1T1 Kevin Dias Tel: 647.256.7360 Email: kdias@justice.gc.ca Counsel to the Canada Revenue Agency

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TO: mcressatti@millerthomson.com; pcorney@millerthomson.com; PGennis@spergel.ca;
AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; kdias@justice.gc.ca;
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ptpharm@sympatico.ca

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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TAB 1



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 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

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 uploaded on Caselines

On June 21, 2024 at 10:00 AM.

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.

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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 June 17, 2024

Issued by

Julie Parsons

Digitally signed by Julie Parsons
Date: 2024.06.17 14:00:22 -04'00'

Local Registrar

Address of
court office:

TO: **1000209217 ONTARIO LTD.**
150 York Street, Suite 1008
Toronto, ON M5H 3S5

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APPLICATION

1. The Applicant, Care Lending Group Inc. (“**Care Lending**”), makes an application for:
 - (a) An order, substantially in the form attached at Tab 3 of the within Application Record, msi Spergel Inc. (“**Spergel**”) as receiver (in such capacity, “**Receiver**”) of the property, assets and undertakings of 1000209217 Ontario Ltd. (the “**Debtor**”) pursuant to Section 243 of the *Bankruptcy And Insolvency Act*, R.S.C. 1985, c. B-3, (the “**BIA**”), and Section 101 of *The Courts Of Justice Act*, R.S.O. 1990, c. C.43 (the “**CJA**”); and
 - (b) Such further and other relief as this Honourable Court may deem just.

The grounds for the application are:

OVERVIEW

2. Care Lending brings this application for the appointment of a receiver over the Debtor. The Debtor is the operator of the Cotton Mill Pharmacy (the “**Pharmacy**”), an independent pharmacy in Cornwall, Ontario. The Debtor’s sole director is Paul Thomson.
3. Care Lending extended a Loan (defined below) to the Debtor pursuant to the terms of a Promissory Note (defined below) executed October 3, 2022.
4. The Debtor agreed to secure the Loan by granting Care Lending a general security interest in all of the Debtor’s assets and undertakings (defined below as the Collateral).
5. Care Lending is the Debtor’s senior secured creditor, perfected by registration.

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6. The Debtor is in default of its obligations under the Promissory Note by failing to pay monies to Care Lending when due. The Debtor failed to make payments due to Care Lending on April 15, 2024 and May 15, 2024.

7. Care Lending urgently requires the appointment of a receiver over the Debtor.

8. The Pharmacy is currently abandoned and has been since early May. The Pharmacy has not had any employees, including any pharmacists, since early May. The Pharmacy's principals have informed Care Lending that they do not intend to re-start operations.

9. The Pharmacy's principals gave notice to the Ontario College of Pharmacists (the "College") that they intended to "temporarily" close the Pharmacy, effective May 21, 2024. Care Lending understands that the Pharmacy must reopen by August 21, 2024, failing which it will be permanently closed by the College. Care Lending understands that the Debtor has no ability or intention to reopen by August 21, 2024.

10. The Pharmacy is located within the Cotton Mill medical centre, and patrons at the medical centre must walk through the Pharmacy to access other medical services within the centre. As a result, other patrons of the medical centre must walk through the Pharmacy and can see that it has been abandoned and that drugs have been left on its shelves and behind the counter. A large volume of prescription and over-the-counter drugs remain at the Pharmacy, including methadone.

11. The abandonment of the Pharmacy has created a risk to public health. First, The Pharmacy's patients have been left, suddenly and unexpectedly, without their pharmacy. Second, because physical location of the pharmacy, there is a material risk of theft due to the existence of

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drugs in plain sight of passers-by. Care Lending has observed security footage from the area showing individuals appearing to “case” the Pharmacy.

12. On June 5, 2024, Care Lending and the landlord attended at the Pharmacy to secure (on site) certain potentially harmful drugs.

13. Care Lending’s security is rapidly eroding because goodwill is a material asset of any pharmacy. The Pharmacy’s patients were not given any notice of the Pharmacy’s intention to stop operating. They have, presumably, begun to have their prescriptions filled at other pharmacies. As a result, the Debtor’s goodwill is eroding on a daily basis.

14. On May 29, 2024 Care Lending served a notice of intention to enforce security (“NITES”) upon the Debtor in accordance with the requirements of the *Bankruptcy and Insolvency Act* (Canada). Under the NITES, Care Lending is free to enforce its security as of June 11, 2024.

15. The Debtor has consented to the appointment of the Receiver and the form of order sought.

THE LOAN & SECURITY

The Loan

16. Care Lending advanced a five-year term loan of \$600,450.00 (the “**Loan**”) to the Debtor pursuant to the terms of a promissory note executed October 3, 2022 (the “**Promissory Note**”).

17. Interest on the Loan is calculated and compounded monthly at a rate of 7.75% per annum. Interest on any overdue amounts is owed at the rate of 18% per annum.

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18. Per paragraph 2 of the Promissory Note, the Loan is to be repaid in 60 monthly payments of \$7,224.40 (the “**Installments**”) and a final lump-sum payment of \$358,407.08, due on October 15, 2027 (the “**Maturity Date**”). The first Installment was due on November 15, 2022, with the final Installment due on October 15, 2027.

Security and Guarantee

(i) General Security Agreement

19. As security for the Loan, the Debtor executed a general security agreement (the “**GSA**”) in favour of Care Lending on October 3, 2022.

20. Pursuant to section 2 of the GSA, the Debtor agreed to grant a general security to Care Lending over:

- (a) all assets and undertakings;
- (b) debts, accounts, choses in action, claims, demands, and moneys (collectively, the “**Accounts**”); and
- (c) all property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (collectively, the “**Proceeds**”). All of the proceeds shall be received and held by the Debtor in trust for Care Lending (collectively, the “**Collateral**”).

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21. The GSA was registered under the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the “**PPSA**”) on September 14, 2022.

22. The GSA is the first-ranking security interest in the Collateral, potentially subject to specific purchase-money security interests described below.

(ii) Share Pledge Agreements

23. Paul Thomson, a pharmacist, and Mihi Health & Wellness Inc. (“**Mihi**” and together, the “**Pledgors**”), together hold 100% of the Debtor’s issued and outstanding common shares. Each of the Pledgors entered into Share Pledge Agreements (collectively, the “**Share Pledge Agreements**”) with Care Lending regarding the 100 shares in the capital of the Debtor. Mr. Thomson granted Care Lending a first-ranking security interest in the 51 issued and outstanding common shares he holds in the Debtor, and Mihi granted Care Lending first-ranking security interest in the 49 issued and outstanding common shares it holds in the Debtor (the “**Pledged Shares**”).

24. Pursuant to a Control Agreement, the Pledgors acknowledged and certified, among other things, the terms of the Share Pledge Agreements and provide control of the Pledged Shares to Care Lending.

25. Care Lending does not, at this time, intend to exercise its rights under the Share Pledge Agreements as there are regulatory concerns with a non-pharmacist controlling the majority of the shares in a company that operates a Pharmacy.

(iii) Guarantee Agreement

26. On October 3, 2022 Mihi executed an unlimited guarantee (the “**Guarantee**”) of all of the Debtor’s obligations and any other debts and liabilities owing to Care Capital.

27. Pursuant to section 3 of the Guarantee, the nature of the liability under the Guarantee is continuing, absolute and unconditional.

Other Creditors

28. The PPSA indicates that the Debtor has other secured creditors. A summary of the PPSA results follows:

No.	ONTARIO FILE NO.	REGISTRATION NO.	DEBTORS	SECURED PARTY	COLLATERAL	PERIOD
1.	786695976	20220914 1633 1793 8086	1000209217 Ontario Ltd. Mihi Health & Wellness Inc.	Care Lending Group Inc.	Inventory Equipment Accounts Other Motor Vehicle	10 years
2.	787302171	20221004 1605 1590 2949	1000209217 Ontario Ltd.	Cotton Mill Pharmacy Inc.	Inventory Equipment Accounts Other Motor Vehicle	3 years
		20221005 1116 1590 3092 – Amendment – To change the name of secured party from Cotton Mill Pharmacy Inc. to 2471911 Ontario Inc. by way of Articles of Amendment filed October 5, 2022.		2471911 Ontario Inc.		
3.	787515327	20221012 1703 1462 4743	1000209217 Ontario Ltd.	McKesson Canada Corporation	Inventory	5 years
4.	787515336	20221012 1703 1462 4744	1000209217 Ontario Ltd.	McKesson Canada Corporation	Inventory Equipment Accounts Other	5 years
5.	795918294	20230803 1623 6005 8588	1000209217 Ontario Ltd. Cotton Mill Pharmacy	CWB National Leasing Inc.	Equipment	6 years

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DEFAULTS AND DEMANDS

Defaults

29. The Debtor is in default of the Promissory note by having failed to make its monthly payments due on April 15, 2024 and May 15, 2024.

30. The indebtedness owing under the Promissory Note (inclusive of the principal and interest, but exclusive of fees and costs) is \$669,214.79 (the “**Indebtedness**”) broken down as follows:

Unpaid Instalments	\$296,200.40
Balloon Payment	\$358,407.08
Unpaid Instalments between April 15, 2024 and June 14, 2024	\$14,448.80
Interest on unpaid interest for the period of April 15, 2024 and June 14, 2024	\$158.51
Total (as of June 14, 2024, exclusive of fees and costs)	\$669,214.79

Demands, NITES, and Consent

31. Care Lending sent two written notices of default and demand for repayment to the Debtor: the first on May 23, 2024 and the second (the “**Second Demand**”) on May 29, 2024.

32. The Second Demand demanded payment of the Indebtedness in full and required payment by June 2, 2024.

33. The Second Demand reiterated the demand payment of the Indebtedness in full and enclosed the NITES. The payment deadline in the Second Demand and under the NITES expired at the end of June 10, 2024.

34. Despite demand and sufficient time, the Debtor failed to repay the Indebtedness.

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35. On June 17, 2024, Mr. Thomson, the Debtor's sole director, advised that the Debtor would consent to the appointment of the Receiver. A consent executed by the Debtor is attached as Tab 6 to the Application Record.

APPOINTMENT OF RECEIVER

36. The appointment of Spergel as Receiver is just or convenient in the circumstances of this case:

- (a) The Debtor has consented to the appointment of a receiver and to the proposed Receivership Order in the form included at Tab 3 of the Application Record;
- (b) notwithstanding the issuance of the demands and the NITES, the Outstanding Indebtedness has not been repaid;
- (c) the GSA contains the contractual entitlement to appoint a receiver upon default;
- (d) a Court-appointed receiver will ensure that the interests of all of the Debtor's stakeholders are considered and facilitate the orderly management of the Debtor's business while their assets are realized upon;
- (e) the proposed receiver, Spergel, has deep experience with the pharmacy industry and will ensure that the business is managed in a regulatory-compliant manner;
- (f) the statutory notice period under the BIA has expired;
- (g) Spergel is a licensed insolvency trustee and has consented to act as Receiver; and

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- (h) the appointment of Spergel as Receiver is urgently required in order to:
 - (i) fulfill patient prescriptions;
 - (ii) minimize the significant risk of drug theft from an abandoned pharmacy;
and
 - (iii) protect the Debtor's enterprise value by reopening the Pharmacy.

STATUTES AND RULES RELIED UPON AND GENERAL GROUNDS

- 37. Section 243 of the BIA and section 101 of the CJA;
- 38. Rules 1.04, 1.05, 2.01, 2.03, 3.02, 14, 16, 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended;
- 39. Section 145 of the *Drugs and Pharmacies Regulation Act*, R.S.O. 1990, c H. 4; and
- 40. Such further and other grounds as counsel may advise.
- 41. The following documentary evidence will be used at the hearing of the application:
 - (a) The Affidavit of Dan Gilchrist, sworn June 12, 2024;
 - (b) Consent to Act as Receiver of Spergel; and
 - (c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

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June 17, 2024

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Lawyers for the Applicant

Applicant

AND

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at
Cornwall

NOTICE OF APPLICATION

MILLER THOMSON LLP

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Lawyers for the Applicant

TAB 2

Court File No.

**ONTARIO
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B E T W E E N:

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**AFFIDAVIT OF DAN GILCHRIST
(sworn June 12, 2024)**

June 12, 2024

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Patrick Corney LSO#: 65462N
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Lawyers for the Applicant

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Court File No.: CV-24-00000103-0000

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AFFIDAVIT OF DAN GILCHRIST

(sworn June 12, 2024)

I, DAN GILCHRIST, of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Executive Vice President of Sales at Care Lending Group Inc. ("**Care Lending**") and as such, I have personal knowledge of the matters to which I herein depose. Where I rely on other sources of information, I state the source of my information and, in all cases, believe such information to be true.
2. I swear this Affidavit in support of an application by Care Lending, for an order (the "**Receivership Order**"), substantially in the form attached as **Tab "3"** to the Application Record, appointing msi Spergel Inc. ("**Spergel**") as receiver (in such capacity, the "**Receiver**") in respect of the property, assets and undertakings of 1000209217 Ontario

Ltd. (the “**Debtor**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act (Ontario)* (the “**CJA**”).

3. All references to currency in this Affidavit are references to Canadian dollars, unless otherwise indicated.

I. OVERVIEW

4. Care Lending brings this application for the appointment of a receiver over the Debtor. The Debtor is the operator of the Cotton Mill Pharmacy (the “**Pharmacy**”), an independent pharmacy in Cornwall, Ontario.
5. Care Lending extended a loan (the “**Loan**”) to the Debtor pursuant to the terms of a Promissory Note (defined below) executed October 3, 2022.
6. The Debtor agreed to secure the Loan by granting Care Lending a general security interest in all of the Debtor’s assets and undertakings (defined below as the Collateral).
7. Care Lending is the Debtor’s senior secured creditor, perfected by registration.
8. The Debtor is in default of its obligations under the Promissory Note by failing to pay monies to Care Lending when due. The Debtor failed to make payments due to Care Lending on April 15, 2024 and May 15, 2024.
9. Care Lending urgently requires the appointment of a receiver over the Debtor, for the reasons described immediately below.
10. The Pharmacy was abandoned by its principals in early May, without notice to its customers. It remains abandoned. The Pharmacy has not had any employees, including any pharmacists, since early May. The Pharmacy’s principals have informed Care Lending that

they do not intend to re-start operations. A large volume of prescription and over-the-counter drugs remain at the Pharmacy, including methadone.

11. The Pharmacy's physical location is unique and, as a result, leads to specific concerns in the circumstances. The Pharmacy is located within the Cotton Mill medical centre, and patrons at the medical centre must walk through the Pharmacy to access other medical services within the centre. As such, passers-by can see that it has been abandoned and that drugs have been left on its shelves and behind the counter.
12. The abandonment of the Pharmacy has, in my view, created a risk to public health. First, The Pharmacy's patients have been left, suddenly and unexpectedly, without their pharmacy. Second, because physical location of the pharmacy, there is a material risk of theft of drugs due to the existence of drugs in plain sight of passers-by. Care Lending has observed security footage from the area showing individuals appearing to "case" the Pharmacy.
13. In mid-May, 2024, Care Lending learned that the Pharmacy had been abandoned. On May 23, 2024, Care Lending delivered an initial demand letter to the Debtor.
14. On May 29, 2024, counsel to Care Lending, Miller Thomson LLP ("MT"), delivered a demand for payment and a notice of intention to enforce security pursuant to Section 244 of the BIA ("NITES") to the Debtor. Under the NITES, Care Lending is free to enforce its security as of June 11, 2024.
15. On June 5, 2024, Care Lending and the landlord attended at the Pharmacy to secure (on site) certain potentially harmful drugs (including the methadone) in a back room at the Pharmacy.

16. I am advised by Paul Thomson, the Debtor's sole director, that the Debtor intends to consent to the appointment of a receiver.

II. PARTIES

17. Care Lending is a privately held Canadian financing company that offers lending solutions primarily to the Golf and Healthcare industries.
18. The Debtor is an Ontario limited liability corporation incorporated on May 19, 2022 that operates the Pharmacy. The Debtor's sole director is Paul Thomson, a pharmacist. The Debtor's current chief executive officer is Brad Kipp, who was appointed on or around May 14, 2024. The Debtor's registered address is 150 York Street, Suite 1008, Toronto, Ontario, Canada, M5H 3S5. A copy of the Debtor's Ontario corporate profile report is attached hereto as **Exhibit "A"**.

III. THE LOAN AND SECURITY

A. Background to the Indebtedness

19. Care Lending advanced a five-year term loan of \$600,450.00 (the "**Loan**") to the Debtor pursuant to the terms of a promissory note executed October 3, 2022 (the "**Promissory Note**"). Attached hereto as **Exhibit "B"** is a copy of the Promissory Note.
20. Interest on the Loan is calculated and compounded monthly at a rate of 7.75% per annum. Interest on any overdue amounts is owed at the rate of 18% per annum.
21. The Loan's purpose was to enable the Debtor to acquire the operating assets of Cotton Mill Pharmacy Inc. ("**OldCo**").

22. Per paragraph 2 of the Promissory Note, the Loan is to be repaid in 60 monthly payments of \$7,224.40 (the “**Installments**”) and a final lump-sum payment of \$358,407.08, due on October 15, 2027 (the “**Maturity Date**”). The first Installment was due on November 15, 2022, with the final Installment due on October 15, 2027.

B. Security Documents

Security Agreements

23. As security for the Loan, the Debtor executed a general security agreement (the “**GSA**”) in favour of Care Lending on October 3, 2022. A copy of the GSA is attached hereto as **Exhibit “C”**.

24. Pursuant to section 2 of the GSA, the Debtor agreed to grant a general security to Care Lending over:

- (a) all assets and undertakings;
- (b) All debts, accounts, choses in action, claims, demands, and moneys (collectively, the “**Accounts**”); and
- (c) all property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (collectively, the “**Proceeds**”). All of the proceeds shall be received and held by the Debtor in trust for Care Lending (collectively, the “**Collateral**”).

25. The GSA was registered under the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the “**PPSA**”) on September 14, 2022. Attached hereto as **Exhibit “D”** is a copy of the Personal Property Register entry for the Debtor.

26. I am advised by MT and believe that the GSA grants Care Lending a first-ranking security interest in the Collateral, potentially subject to specific purchase-money security interests, described below.

Share Pledge Agreements

27. Paul Thomson and Mihi Health & Wellness Inc. (“**Mihi**” and together, the “**Pledgors**”) hold 100% of the Debtor’s issued and outstanding common shares. Each of the Pledgors entered into Share Pledge Agreements with Care Lending whereby Mr. Thomson granted Care Lending first security interest in the 51 issued and outstanding common shares he holds in the Debtor and Mihi granted Care Lending first security interest in the 49 issued and outstanding common shares it holds in the Debtor (the “**Pledged Collateral**”) (collectively, the “**Share Pledge Agreements**”). Copies of the Share Pledge Agreements are attached hereto as **Exhibits “E”** and “**F**”.
28. Pursuant to the Share Pledge Agreements:
- (a) Upon demand of payment from Care Lending, all voting rights, rights to receive dividends and distributions, and other consensual rights vest in Care Lending Care Lending;
 - (b) In the event of default, Care Lending has the right to sell, resell, assign, and deliver all or any of the Pledged Collateral or any part thereof in Canada or elsewhere; and
 - (c) Any balance remaining after payment in full of the indebtedness shall be paid over to the Pledgors.

29. Pursuant to a Control Agreement, Mr. Thomson and Mihi acknowledge and certify, among other things, the terms of the Share Pledge Agreements and provide control of the Pledged Shares to Care Lending. A copy of the Control Agreement is attached hereto as **Exhibit “G”**.
30. Care Lending does not, at this time, intend to exercise its rights under the Share Pledge Agreements as there are regulatory concerns with a non-pharmacist controlling the majority of the shares in a company that, like the Debtor, operates a pharmacy.

Guarantee Agreement

31. On October 3, 2022 Mihi executed an unlimited guarantee (the “**Guarantee**”) of all of the Debtor’s obligations and any other debts and liabilities owing to Care Lending (collectively, the “**Collateral**”). Attached hereto as **Exhibit “H”** is a copy of the Guarantee.
32. Pursuant to section 3 of the Guarantee, the nature of the liability under the Guarantee is continuing, absolute and unconditional.
33. In accordance with section 6 of the Guarantee, Mihi shall make all payments required to be made under the Guarantee, without regard to any right of setoff or counterclaim. Additionally, Care Lending is authorized upon any amounts payable by Mihi to appropriate and apply any and all deposits and any other indebtedness at any time held by Care Lending or owing to Mihi against and on account of the obligations of the Debtor.
34. Care Lending is not, at this time, taking enforcement steps against Mihi under the Guarantee.

C. Other Creditors

35. The PPSA indicates that Care Lending is among several secured creditors against the Debtor. A summary of the PPSA findings is as follows:

No.	ONTARIO FILE NO.	REGISTRATION NO.	DEBTORS	SECURED PARTY	COLLATERAL	PERIOD
1	786695976	20220914 1633 1793 8086	1000209217 Ontario Ltd. Mihi Health & Wellness Inc.	Care Lending Group Inc.	Inventory Equipment Accounts Other Motor Vehicle	10 years
2	787302171	20221004 1605 1590 2949	1000209217 Ontario Ltd.	Cotton Mill Pharmacy Inc.	Inventory Equipment Accounts Other Motor Vehicle	3 years
		20221005 1116 1590 3092 – Amendment – To change the name of secured party from Cotton Mill Pharmacy Inc. to 2471911 Ontario Inc. by way of Articles of Amendment filed October 5, 2022.		2471911 Ontario Inc.		
3	787515327	20221012 1703 1462 4743	1000209217 Ontario Ltd.	McKesson Canada Corporation	Inventory	5 years
4	787515336	20221012 1703 1462 4744	1000209217 Ontario Ltd.	McKesson Canada Corporation	Inventory Equipment Accounts Other	5 years
5	795918294	20230803 1623 6005 8588	1000209217 Ontario Ltd.	CWB National Leasing Inc.	Equipment	6 years
			Cotton Mill Pharmacy			

A copy of the certified PPSA as at June 5, 2024 is attached hereto as **Exhibit “I”**.

36. I understand that McKesson Canada Corporation's ("**McKesson**") registrations relate to purchase-money security interests in all of the prescription pharmaceuticals located at the Pharmacy.
37. All of the Debtor's secured creditors will be served with this application.

Subordination Agreement

38. A Subordination Agreement (without postponement) was executed on October 3, 2022 (the "**Subordination Agreement**") between Care Lending as the Senior Lender, OldCo as the Subordinate Lender, and the Debtor.
39. The parties agreed that OldCo's secured indebtedness against the Debtor will be postponed and shall rank subsequent and subordinate to the security constituted by Care Lending's indebtedness. Attached hereto as **Exhibit "J"** is a copy of the Subordination Agreement.

IV. DEFAULTS & DEMANDS

40. The Debtor has failed to make payments under the Promissory Note since April 15, 2024. As a result of the Debtor's breach of the Promissory Note, the Loan has accelerated pursuant to section 3 of the Promissory Note.
41. The indebtedness owing under the Promissory Note (inclusive of the principal and interest, but exclusive of fees and costs) as of June 12, 2024 is \$669,214.79 (the "**Indebtedness**") broken down as follows:

Unpaid Instalments	\$296,200.40
Balloon Payment	\$358,407.08
Unpaid Instalments between April 15, 2024 and June 14, 2024	\$14,448.80
Interest on unpaid interest for the period of April 15, 2024 and June 14, 2024	\$158.51
Total (as of June 14, 2024, exclusive of fees and costs)	\$669,214.79

42. On May 23, 2024 Care Lending notified the Debtor of it being in default of its obligations under the Promissory Note (the “**First Demand**”). This letter provided a payment deadline of June 2, 2024 (the “**Payment Deadline**”) failing which Care Lending reserved its rights to enforce security, including but not limited to, appointing a receiver and commencing legal proceedings to recover the indebtedness owed at that time. Attached hereto as **Exhibit “K”** is the First Demand.
43. On May 29, 2024, Care Lending’s counsel, MT, notified the Debtor of it being in default of its obligations under the Promissory Note (the “**Second Demand**”). The letter provided an updated indebtedness owed and an updated payment deadline of June 10, 2024 (the “**Subsequent Payment Deadline**”) failing which MT, on behalf of Care Lending, would commence legal proceedings claiming the indebtedness owed under the Promissory Note plus accrued interest, costs, fees and expenses. MT included the NITES in the Second Demand.
44. Pursuant to the NITES, Care Lending notified of its intention to enforce its security on the loan once the Subsequent Payment Deadline has expired and no payment has been received. The Security is to be enforced in the form of a GSA, as described above, in favour of Care Lending. Attached hereto as **Exhibit “L”** is the Second Demand and NITES.

45. A consent executed on behalf of Mr. Thomson in his capacity as the Debtor's sole director will be attached to the Application Record.

V. URGENT NEED FOR APPOINTMENT OF RECEIVER

46. The appointment of a receiver over the Debtor is urgently required, and just or convenient, for the reasons described below.
47. Care Lending began making inquiries into the Debtor's operations in mid-spring 2024 as the Debtor began falling behind on Installment payments, having paid the January Installment three days late and missed the February and March Installments. The Debtor provided catch-up payments for the February and March Installments in April 2024, and then immediately defaulted on the April Installment.
48. Upon inquiry with the Debtor's landlord and with the Debtor's CEO, Mr. Kipp, and following my own attendance at the Pharmacy on June 5, 2024, I have learned that:
- (a) The Pharmacy has not had any employees, including any pharmacists, since early May;
 - (b) Non-prescription drugs were left on the Pharmacy's shelves. This has created a significant risk of theft as the shelves are open to anyone walking through the Pharmacy to access other parts of the medical centre;
 - (c) Prescription drugs, including narcotics, were left behind the Pharmacy's counter. As it is apparent to the public that the Pharmacy is abandoned this has, in my view, created a significant risk of theft;

- (d) Prescriptions have been filled and are behind the counter that are ready for pickup by patients, but are unable to be given to patients as there are no employees on site to hand over the drugs and collect payment;
- (e) Patients have begun to have their prescriptions filled by other pharmacies;
- (f) Around May 20, 2024, Mr. Kipp advised me that the Debtor lacks either the ability or the willingness to reinvest the working capital necessary to re-open the Pharmacy; and
- (g) On or around May 21, 2024, the Pharmacy's principals gave notice to the Ontario College of Pharmacists (the "**College**") that they intended to "temporarily" close the Pharmacy, effective May 21, 2024. Care Lending understands that the Pharmacy must reopen by August 21, 2024, failing which it will be permanently closed by the College. I understand that the Debtor has no ability or intention to reopen by August 21, 2024. Attached hereto as **Exhibit "M"** is a copy of a confirmation from the College advising that the Pharmacy has been temporarily closed.

49. For the reasons outlined above, including the Debtor's failure to pay the Installments due and owing under the Promissory Note and the abandonment of the Pharmacy, I believe that there is a substantial, growing and ongoing risk to the Collateral along with a growing threat to public health if drugs are stolen from the Pharmacy. I further believe that the Collateral can only be protected by the urgent appointment of the Receiver.

50. Care Lending has lost all confidence in the Debtor's willingness and ability to effectively manage, preserve and protect the Pharmacy, which constitutes Care Lending's primary collateral for the Loan.
51. By abandoning the Pharmacy, the Debtor has created a situation where the Pharmacy's goodwill will rapidly erode as its customers will fill their prescriptions at other pharmacies in the area.
52. The Receiver's intention is to reopen and operate the Pharmacy, using the necessary qualified personnel in accordance with applicable regulations, while the Pharmacy is marketed for sale. This will mitigate concerns about theft and loss of goodwill.
53. Pursuant to the terms of the Promissory Note the Debtor contractually agreed that Care Lending may seek to appoint a receiver over the Debtor.
54. Pursuant to section 15 of the GSA, it is an event of default for the Debtor to default on the terms of the Promissory Note or to take any steps that place the Collateral in jeopardy.
55. Section 15 of the GSA states, in part:

[The Debtor] shall be in default...upon the happening of any of the following events:

(c) you fail to perform any of the terms or conditions of this Agreement...

(m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy...

[Emphasis added]

56. Pursuant to section 16 of the GSAs, in the event of default, Care Lending has the right to appoint a receiver and manager over the Collateral or to otherwise, *inter alia*, seize and

possess the Collateral, carry on the Debtor's business, or sell, lease or dispose of the Collateral.

57. Pursuant to section 16 of the GSA:

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and **we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver")** of the Collateral. We and the Receiver shall be entitled to:

- (a) **seize and possess the Collateral;**
- (b) **carry on your business;**
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- ...
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement. [Emphasis added]

58. Therefore, Care Lending seeks the appointment of Spergel to act as Receiver. Spergel has advised Care Lending that it is prepared to act as Receiver if so appointed. A copy of Spergel's Consent to Act as Receiver is contained at Tab 5 of the Application Record.

59. I swear this affidavit in support of an application for a receivership order in the form contained at Tab 3 of the Application Record, and for no other purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, with the deponent located at Georgetown, in the Province of Ontario, this 12th day of June, 2024 in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely

DocuSigned by:
Matthew Cressatti
DA79353421D842D

Commissioner for Taking Affidavits
MATTHEW ELISEO CRESSATTI

DocuSigned by:
Dan Gilchrist
ECEE5C6B18E543E

DAN GILCHRIST

TAB A

This is Exhibit “A” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI



Profile Report

1000209217 ONTARIO LTD. as of May 27, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1000209217 ONTARIO LTD.
Ontario Corporation Number (OCN)	1000209217
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	May 19, 2022
Registered or Head Office Address	150 York Street, Suite 1008, Toronto, Ontario, M5H 3S5, 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 PAUL THOMSON
Address for Service 40 Mountain Lion Place, Bragg Creek, Alberta, T0L 0K0,
Canada
Resident Canadian Yes
Date Began May 19, 2022

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)

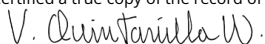
Name MIKE NADEAU
Position President
Address for Service 150 York Street, 1008, Toronto, Ontario, M5H 3S5, Canada
Date Began May 19, 2022

Name JUDE PINTO
Position Secretary
Address for Service 150 York Street, 1008, Toronto, Ontario, M5H 3S5, Canada
Date Began May 19, 2022

Name JUDE PINTO
Position Chief Financial Officer
Address for Service 150 York Street, 1008, Toronto, Ontario, M5H 3S5, Canada
Date Began May 19, 2022

Name PAUL THOMSON
Position Other (untitled)
Address for Service 40 Mountain Lion Place, Bragg Creek, Alberta, T0L 0K0, Canada
Date Began May 19, 2022

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



Director/Registrar

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Corporate Name History

Name

1000209217 ONTARIO LTD.

Effective Date

May 19, 2022

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

V. Quintanilla W.

Director/Registrar

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Active Business Names

Name	COTTON MILL PHARMACY
Business Identification Number (BIN)	1000330200
Registration Date	October 05, 2022
Expiry Date	October 04, 2027

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

V. Quintanilla W.

Director/Registrar

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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

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Paul THOMSON	July 21, 2022
CIA - Initial Return PAF: Paul THOMSON	May 20, 2022
BCA - Articles of Incorporation	May 19, 2022

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

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TAB B

This is Exhibit “B” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

FIXED RATE PROMISSORY NOTE – VARIABLE PAYMENTS

\$600,450.00
PRINCIPAL

Care Lending Group Inc.
200 Pony Drive
Newmarket, Ontario
L3Y 7B6

October 3, 2022
DATE

1. PROMISE TO PAY AND INTEREST

For value received, 1000209217 ONTARIO LTD. (referred to in this Promissory Note (the "**Note**") as "you", "your" and "yours") with an office located at 107-703 COTTON MILL STREET, CORNWALL, ON K6H 0E7 promises to pay to Care Lending Group Inc. and/or its successors and assigns (referred to in this Note as "we", "our", "ours" and "us"), the sum of Six hundred thousand four hundred fifty dollars and zero cents (\$600,450.00) ("**Principal**") in lawful money of Canada, with interest calculated and compounded monthly not in advance (in the manner set out in paragraph 2 below) at 7.75% per annum ("**Interest Rate**") as well after as before maturity and both before and after default or judgement ("**Interest**") and interest on overdue Interest at 18% per annum (provided that if such rate of interest exceeds the maximum permitted by law, the interest on overdue Interest shall be the maximum rate permitted by law).

2. CALCULATION OF INTEREST AND REPAYMENT

Interest shall be computed from the day the Principal is advanced (the "**Commencement Date**"). Principal and Interest shall be paid in 60 consecutive monthly instalments (the "**Term**") as set out in the Schedule of Instalments below (the "**Instalments**") from the 15th day of November, 2022 and continuing on the 15th day of each successive month thereafter up to and including the 15th day of October, 2027 (the "**Maturity Date**") when the balance, if any, of the Principal and Interest shall be paid. We will provide you with a notice in writing (a "**Renewal Notice**") at least 60 days prior to the Maturity Date (but not more than 90 days prior to the Maturity Date) if we wish to extend the Maturity Date for another Term. Such notice would set out the renewal term (which would become the "Term" under this Note), the interest rate applicable for the new Term (which would become the "Interest Rate" under this Note) and the amount of the instalments for the renewal Term (which would become the "Instalments" for purposes of this Note). The extended maturity date would become the "Maturity Date" for purposes of this Note. All other terms and conditions of this Note would remain unchanged. In the event you do not repay all amounts owing by you to us under this Note on the Maturity Date, you will be deemed to have accepted the terms and conditions set out in the Renewal Notice for the extended Term. In the event that you do not receive a Renewal Notice, all amounts outstanding under this Note as at the Maturity Date shall be due and payable at such time.

No. of Instalments	Date From (inclusive)	Date To (inclusive)	Amount of Each Instalment
60	November 15, 2022	October 15, 2027	\$7,224.40
1	October 15, 2027	October 15, 2027	\$358,407.08

Each Instalment under this Note shall be applied first in payment of Interest and the balance, if any, shall be applied in reduction of Principal. Your obligations under this Note shall be absolute and unconditional and shall not be subject to any counter-claim, set-off or other claim whatsoever of yours against us.

You may not prepay the amounts owing under this Note. In the event of the early termination of this Note for any reason whatsoever, you agree to pay us an amount equal to the sum of all unpaid Instalments as at the date of any such early termination to and including the Maturity Date.

3. ACCELERATION

In the event that (a) you default in making any payment when due hereunder or under any other agreement with us, (b) you fail to observe or perform any other covenant or obligation herein or in any other agreement with us, and such failure continues for ten days after the earlier of the day that you first have knowledge of such failure and the day on which we give you notice of such failure, (c) a default occurs and is continuing, following any applicable cure period, under any agreement under which you have outstanding indebtedness or under which indebtedness is guaranteed by you, or any indebtedness of or guaranteed by you which is payable on demand is not paid on demand, (d) an order is made or a resolution passed for your winding-up or a notice of intention to make a proposal is filed or a proposal is made by you to your creditors under the *Bankruptcy and Insolvency Act* (the "Act") or a petition is filed by or against you or an authorized assignment is made by you under the Act or a receiver or agent is appointed with respect to you under any bankruptcy or insolvency legislation or by or on behalf of a secured creditor of yours or an application is made under the *Companies' Creditors' Arrangement Act* or any successor or similar legislation, (e) any circumstance changes or any event occurs which has or could have a material adverse effect on your financial condition, business, assets, properties or prospects, or (f) if you are a corporation, partnership or sole

proprietorship, as the case may be, you permit any change of ownership or change your capital structure subsequent to the Commencement Date, you shall be required to pay us on demand, whereupon you shall immediately pay us, as a genuine pre-estimate of liquidated damages and not as a penalty, an amount equal to the sum of (a) all unpaid Instalments as at the date of any such early termination to and including the Maturity Date, and (b) all accrued and unpaid Interest.

4. NON-WAIVER

The extension of the time for making any payment which is due and payable under this Note at any time or times or the failure, delay or omission on our part to exercise or enforce any of our rights or remedies hereunder or under any instrument securing payment of the indebtedness evidenced by this Note shall not constitute a waiver of our right to enforce such rights and remedies thereafter.

5. INTEREST ACT

For the purposes hereof, whenever interest is calculated on the basis of a period other than a calendar year (the "Relevant Period"), each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the Relevant Period.

6. OTHER INFORMATION

You will from time to time provide us with any information or document which we may reasonably request. You authorize us to conduct credit investigations and authorize us to release any credit information to credit reporting agencies and any of our assignees.

7. NOTICE

Notice must be in writing. Any document in connection with this Note will be considered to have been delivered to or served upon, and received by, you or us upon the earlier of actual receipt by an employee or an officer of the receiving party and (if mailed and there has been no interruption of postal service) the expiry of 10 days after the date the document was posted by prepaid ordinary mail to the receiving party's address as set out on the first page of this Note (or such other address as the receiving party may have last notified the sender).

8. LANGUAGE

It is your wish and ours that this Note and all related documents be drawn up and signed in English. C'est votre désire and le notre que le présent Contrat et tous documents s'y rapportant soient rédigés et signés en anglais.

9. MISCELLANEOUS

(a) Time is of the essence in respect of this Note. (b) This Note will be governed by and construed in accordance with the laws of the Province of Ontario. (c) This Note is the entire agreement between you and us with respect to the subject matter hereof and may be varied only by written documents signed by both parties. (d) If more than one person, firm, or corporate body signs this Note as the borrower, each is jointly and severally liable (which allows us, at our option, to require performance or payment of all obligations under this Note from any one of them or a portion from each). (e) A provision of this Note which is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. (f) You may not assign your rights and obligations under this Note, unless we give you our prior written approval. We may assign, in our sole discretion at any time, without your consent, our right, title and interest in this Note. You hereby consent to the delivery by us to any prospective assignee of such information concerning you as may be in our possession and requested by such assignee. (g) You agree to make payments under a pre-authorized payment plan which may be withdrawn on or about each Instalment payment due date, including arrears or other penalties which may be withdrawn at any time without notice. (h) You hereby waive the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. (i) You confirm having received a copy of this Note.

1000209217 ONTARIO LTD.

DocuSigned by:
BY: 
419B5E5D304B419
Name: Michael Nadeau
Title: President

- 3 -

BY:

Name:

Title:

TAB C

This is Exhibit “C” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Care Lending Group Inc.

200 Pony Drive
Newmarket, Ontario L3Y 7B6**General Security Agreement**Customer: 1000209217 ONTARIO LTD.Date: October 3, 2022**SECURITY INTEREST**

In consideration of our dealing with or continuing to deal with you, you grant to us a continuing security interest in all of your Assets and Undertakings (defined below) and an assignment of your Accounts (defined below). The Assets and Undertakings over which you have granted us a security interest hereby, the Accounts assigned to us, together with the Proceeds (defined below) thereof, are herein collectively called the "Collateral". You agree that we have not agreed to postpone the time for attachment of the security interest granted hereby with respect to your presently existing Collateral, that such security interest shall attach to any Collateral acquired after the date hereof as soon as you obtain rights in such Collateral and that value has been given.

INDEBTEDNESS AND LIABILITY SECURED

You agree that the obligations secured by the security interest granted hereby (collectively, the "Obligations") include, without limitation, all your present and future obligations, indebtedness and liability to us, direct and indirect, absolute and contingent, whether matured or not matured, and include all costs and expenses (including legal fees and expenses) incurred by us in connection with our dealings with you.

1. DEFINITIONS OF COLLATERAL

ASSETS AND UNDERTAKINGS - all of your present and after acquired personal property and undertakings including without limitation, Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance (all as defined herein), all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

INVENTORY - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

EQUIPMENT - all presently owned and after acquired goods that are owned by you other than Inventory and consumer goods.

DEPOSITS AND CREDIT BALANCES - all monies and credit balances which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on Schedule A (or all deposit and credit balances, if no amount is set out on Schedule A) and any amount of interest due or accruing due to you in connection with any such deposit or credit balance.

INVESTMENT PROPERTY - all present and future investment property held by you, 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 yours in property or in an enterprise or which constitute evidence of an obligation of the issuer (collectively called "Investment Property") including, without limitation, any Investment Property specifically identified in Schedule A; and all substitutions therefor and, subject to Section 5, dividends and income derived therefrom.

LIFE INSURANCE - the life insurance policy or policies described on Schedule A and any proceeds derived therefrom, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums.

2. ACCOUNTS

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and moneys now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing (collectively called "Accounts"). This assignment is and shall be a continuing security to us for the Obligations. All money or any other form of payment received by you in payment of any Accounts shall, following any continuing Event of Default under this Agreement, be received and held by you in trust for us.

3. INVESTMENT PROPERTY

If any of the Collateral consists of Investment Property, (a) you authorize us to transfer such Collateral or any part thereof into our own name or that of our nominee so that we or our nominee may appear of record as the sole owner of such Collateral; provided, that until the occurrence of any continuing Event of Default, we shall deliver promptly to you all notices, statements or other communications received by us or our nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give you or your designee a proxy or proxies to vote and take all action with respect to such Collateral; provided further that after the occurrence of any continuing Event of Default, you waive all rights to be advised of or to receive any notices, statements or communications received by us or our nominee as such registered owner, and agree that no proxy or proxies given to you or your designee by us shall thereafter be effective; and (b) you further agree to execute such other documents and to

Security Agreement

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 us "control" of such Investment Property, as defined in the *Securities Transfer Act, 2006* (Ontario), which "control" shall be in such manner as we shall designate in our 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 us, whether before or after the occurrence of any continuing Event of Default, without further consent from you.

4. PROCEEDS

You grant us a security interest on all of your property in any form derived directly or indirectly from any use or dealing with any Assets and Undertakings or Accounts or that indemnifies or compensates for Assets and Undertakings destroyed or damaged (all of which property is herein collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

5. INCOME AND INTEREST ON INVESTMENT PROPERTY

Until the occurrence of any continuing Event of Default, you reserve the right to receive all income from or interest on the Collateral consisting of Investment Property, and if we receive any such income or interest prior to the occurrence of any continuing Event of Default, we agree to pay you such income or interest promptly. After the occurrence of any continuing Event of Default, you will not demand or receive any income from or interest on such Collateral, and if you receive any such income or interest, such income or interest shall be held by you in trust for us in the same medium in which received, shall not be commingled with any of your other assets and shall be delivered to us in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. We may apply the net cash receipts from such income or interest to payment of any of the Obligations, provided that we account for and pay over to you any such income or interest remaining after payment in full of the Obligations.

6. COSTS AND EXPENSES

You agree to pay the costs and expenses we incur to enforce this Agreement, register this Agreement or notice of it, repossess, maintain, preserve, repair or sell the Collateral, or appoint a consultant, receiver, receiver and manager or agent, and to pay interest thereon. You also agree to pay all legal costs and fees (including in-house legal fees, charges and expenses), incurred by us to do any of the above or to defend any legal claim or counterclaim by you or others respecting the manner of our enforcement of, or our right to enforce, this Agreement. You will pay the legal fees incurred by us on a solicitor and own client basis.

7. FREE AND CLEAR

You hereby represent and warrant to us that you are the owner of the Collateral free from any hypothec mortgage, lien, charge, security interest or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party. You hereby covenant and agree to keep the Collateral free and clear of all taxes, assessments, and security or proprietary interests in favour of third parties. You hereby covenant and agree to not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business and obsolete equipment) without our prior written consent.

8. INSURANCE

You will, at your cost, keep the Collateral insured from all risk of loss, theft or damage as are customarily insured by businesses in the industry in which you are engaged. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us as first loss payee and additional insured. We may, in our absolute discretion, pay any premium due on any insurance policy, including any life insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations.

9. LOCATION OF COLLATERAL

You will keep the Collateral at the location or locations set out on Schedule A. You will not remove the Collateral from this location (except in the ordinary course of your business) without our prior written consent. If no location is set out on Schedule A, you will keep the Collateral at the address shown below your signature to this Agreement.

10. LIMITATION ON OBLIGATIONS OF CARE LENDING

Our sole obligation with respect to the custody, safekeeping and physical preservation of Collateral in our possession shall be to use reasonable care in the custody and safekeeping thereof, and we shall be deemed to have used reasonable care if we deal with such Collateral in the same manner as we deal with similar property for our own account. Neither we nor any of our directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon the Collateral or any part thereof or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any Collateral whether at your request or otherwise.

11. REPRESENTATIONS AND WARRANTIES

You hereby represent and warrant to us that:

- (a) if applicable, you are a corporation duly existing, or a partnership duly established, under the laws of the jurisdiction of your incorporation or establishment, have all necessary power and authority to own your property and assets, to carry on your business as currently carried on by you and hold all necessary licenses, permits and consents as are required so to own your property and assets and so to carry on business in each jurisdiction in which you do so;
- (b) you have the capacity, power and authority and the legal right to execute and deliver, to perform your obligations under, this Agreement, and have taken all necessary action, corporate or otherwise, to authorize the execution and delivery of this Agreement and the performance of your obligations hereunder;
- (c) this Agreement constitutes a legal, valid and binding obligation of yours enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity;
- (d) except for consents which have been obtained and are in full force and effect, no consent of any person is required, or purports to be required, in connection with the execution and delivery of this Agreement by you or the performance of your obligations hereunder;
- (e) the execution and delivery by you of this Agreement and the performance of your obligations hereunder will not violate any applicable law or contractual obligation applicable to you; and
- (f) the representations and warranties set out in clauses (a) through (e) above or in any certificate or other document delivered to us by you or on your behalf are material, shall be deemed to have been relied upon by us notwithstanding any investigation heretofore or hereafter made by us or on our behalf, shall survive the execution and delivery of this Agreement and shall continue in full force and effect without time limit.

12. REPORTING

You will:

- (a) if you are a corporation, a partnership or a sole proprietorship, provide to us note to reader quality financial statements within 120 days of each of your fiscal year ends;
- (b) if you are a pharmacy, provide to us RX Reports within 120 days of each of your fiscal year ends;
- (c) if you are an individual, provide to us your personal net worth statement upon request by us;
- (d) advise us of any Event of Default immediately upon the occurrence of such event;
- (e) inform us of any actual or probable material litigation and provide us with copies of all relevant documents upon request; and
- (f) provide us with such other information and financial data as we may request from time to time.

13. POSITIVE COVENANTS

You agree to:

- (a) make all payments when due or demanded to us (without any condition, deduction, set-off or holdback) at our address noted above (or any other address that we advise);
- (b) if applicable, maintain your existence as a corporation, partnership, or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect;
- (c) pay all taxes, which may result in a lien or charge on any of your property and assets;
- (d) maintain, protect and preserve the Collateral in good repair and working condition;
- (e) provide such security as we may require;

- (f) continue to carry on, and maintain in good standing, the business being carried on by you at the date hereof;
- (g) permit us or our authorized representatives full and reasonable access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom;
- (h) notify us in writing at least 20 days prior to any change of your name or your continuance in a different jurisdiction; and
- (i) notify us in writing promptly of any significant loss of or damage to the Collateral;
- (j) maintain a consolidated Debt Service Coverage Ratio ("DSC Ratio") of at least 1.25x, as at each fiscal year end (where "DSC Ratio" means the ratio of:
 - (a) as the numerator, the consolidated earnings before interest expenses and other bank charges, amortization and depreciation, any other non-cash expenses, any realized gains and/or losses from the sale of any investments, property or other assets, non-arm's length management fees and salaries paid to related parties and income taxes less cash taxes for the twelve-month period ending at the given fiscal year end, divided by:
 - (b) as the denominator, the aggregate sum of all bank charges and all principal and interest payments for all debt and capital lease obligations during the twelve-month period for the given fiscal year.)
 You also agree (i) to report the DSC Ratio and related calculations to us as part of the financial reporting required under clause 12 (a) and (ii) that all calculations in connection with the DSC Ratio shall be subject to our review, approval and adjustments acting in our sole discretion.

14. NEGATIVE COVENANTS

You will not:

- (a) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to the Collateral, or sign or file under the *Personal Property Security Act* (Ontario) (the "**PPSA**") or similar registry system of any jurisdiction a financing statement which names you as a debtor, or sign any security agreement authorizing any secured party thereunder to file such financing statement creating a security interest in the Collateral;
- (b) if you are a corporation, a partnership or a sole proprietorship, as the case may be, permit any change of ownership or change your capital structure without our prior written consent, such consent not to be unreasonably withheld;
- (c) transfer your interest in any part of the Collateral not expressly permitted under this Agreement or change the location(s) of the Collateral without our prior written consent;
- (d) make any investment in or acquisition of, or provide any guarantee or other financial assistance to, any other business entity or person without our prior written consent; or
- (e) make any payments or distributions including but not limited to dividends, redemption or retraction payments or any other amounts in respect to any of your common shares, preferred shares or any other outstanding capital stock if there is an outstanding default or Event of Default, or any such payment causes a default or an Event of Default.

15. DEFAULT

You shall be in default under this Agreement upon the happening of any of the following events (each, an "Event of Default"):

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations or any part thereof;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else, subject to the passage of any applicable grace period;
- (c) you fail to perform any of the terms or conditions of this Agreement or any other agreement between you and us;
- (d) you become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, or a trustee or receiver shall be appointed for you or for a substantial part of your property without your consent;
- (e) bankruptcy, reorganization or insolvency proceedings shall be instituted by or against you;
- (f) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (g) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (h) if you are an individual, you are declared incompetent by a court, or you die, or if you are a partnership, a partner dies;
- (i) if you are an individual, and your certificate of registration from your professional governing body is suspended or revoked;
- (j) you pledge, encumber, mortgage or otherwise create or permit the continued existence of any lien or any other interest or claim including any proprietary or trust interest or encumbrance claimed by any third party with respect to any of the Collateral, except for any lien granted by you in our favour;

- (k) you incur any indebtedness for borrowed money (including, without limitation, by guaranteeing the obligations of others) outside of the ordinary course of business;
- (l) you fail to deliver to us on a timely basis the financial information required by any agreement between us; or
- (m) any other event occurs which causes us in good faith, to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or is about to be placed in jeopardy.

16. REMEDIES

Upon the occurrence of an Event of Default, we may require you to repay any or all of the Obligations in full, whether matured or not, and we may enforce this Agreement by any method permitted by law, and we may exercise any rights and remedies under applicable law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) sell, lease or otherwise dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) in the case of Life Insurance, exercise any options available to you under the Life Insurance;
- (f) demand, sue for and receive Accounts, give effectual receipts and discharges for the Accounts, compromise any Accounts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be in any way responsible for any misconduct or negligence on the part of the Receiver. If the proceeds of the realization of the Collateral are insufficient to repay us the Obligations in full, then you forthwith shall pay us such deficiency. The rights and powers in this paragraph are supplemental to and not in substitution for any other rights we may have from time to time.

17. POWER OF ATTORNEY

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule attached hereto, with the right to use your name and to take proceedings in your name.

18. NON WAIVER BY US

Any breach by you of this Agreement or the occurrence of an Event of Default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or Event of Default is also waived. Any failure by us to notify you of an Event of Default shall not be deemed to be a waiver of such Event of Default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

19. DEALING WITH SECURITY INTEREST

We may take and give up any of the Collateral or modify or abstain from perfecting or taking advantage of our security interest in the Collateral and otherwise deal with any of the Collateral as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

20. PAY ENCUMBRANCES

We or the Receiver may pay any encumbrance that may exist or be threatened against the Collateral. In addition, we or the Receiver may borrow money required for the maintenance, preservation or protection of the Collateral and may grant further security interests in the Collateral in priority to the secured interest created hereby as security for the money so borrowed. In every such case, the amounts so paid or borrowed together with costs, charges, and expenses incurred

in connection therewith shall become part of the Obligations, shall bear interest at the highest rate per annum charged by us on the Obligations and shall be secured by this Agreement.

21. PAYMENTS

We shall have the right to appropriate any payment made by you to any of your Obligations as we see fit, and to revoke or alter any such appropriation.

22. DEFINITIONS

In this agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours", and "us" refer to Care Lending Group Inc.

23. CONTINUING EFFECTIVENESS

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

24. ACKNOWLEDGEMENT & WAIVER

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

25. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon you, your heirs and your successors and assigns and shall enure to our benefit and to the benefit of our successors and assigns; provided that you shall not assign any of your rights or obligations hereunder without our prior written consent. We may assign our rights under this Agreement without your consent and without providing you notice of such assignment. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation, which is a party hereto.

26. NOTICES

Any notice required to be given under this Agreement may be delivered directly to you or us or may be sent by prepaid registered mail addressed to our address shown above or your address shown below, or such further address as we or you may notify to the other in writing from time to time, and if so given the notice shall be deemed to have been given on the day of delivery or the day when it is deemed or otherwise considered to have been received for the purposes of the PPSA, as the case may be.

27. DISCHARGE

If you pay us all of the Obligations secured by this Agreement and otherwise observe and perform the terms and conditions hereof, then we shall, at your request and expense, release and discharge the security interest created by this Agreement and execute and deliver to you such deeds and other instruments as shall be required to effect any such release and discharge.

28. ENTIRE AGREEMENT

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties, which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

29. NO MERGER

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish your liability to make payment of or satisfy the Obligations.

30. FURTHER ASSURANCES

You shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, conveyance, instrument, transfer, assignment, security agreement and assurance as we may reasonably require in order to give effect to the provisions and purposes of this Agreement.

31. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

1000209217 ONTARIO LTD.

DocuSigned by:
Michael Nadeau
1408E6D3944044C0

BY: _____

Name: Michael Nadeau

Title: President

Address: 107-703 Cotton Mill Street

Cornwall, ON K6H 0E7

BY: _____

Name: _____

Title: _____

SCHEDULE A

DEPOSITS AND CREDIT BALANCES

Unlimited

INVESTMENT PROPERTY

N/A

LIFE INSURANCE POLICIES

N/A

LOCATIONS OF COLLATERAL

107-703 Cotton Mill Street, Cornwall, ON K6H 0E7

TAB D

This is Exhibit “D” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI



VERIFICATION



Document Details

Registration Date: **14 SEP 2022**
Expiry Date: **14 SEP 2032**
Registration Number: **20220914 1633 1793 8086**
File Number: **786695976**

Transaction ID: **004-613-452**



General

Reference Number: **COTTON MILL**
Registration Period (Years): **10**

Caution Filing: **No**
Perform a Post Search: **Yes**
Register Immediately: **Yes**



Business Debtor

1000209217 ONTARIO LTD.
107-703 COTTON MILL STREET
CORNWALL ON K6H0E7

MIHI HEALTH & WELLNESS INC.
4500, 855-2ND STREET SW
CALGARY AB T2P4K7



Individual Debtor

No Individual Debtor



Secured Party

CARE LENDING GROUP INC.
200 PONY DRIVE
NEWMARKET ON L3Y7B6



Collateral Classification

Consumer Goods: **No** Inventory: **Yes** Equipment: **Yes** Accounts: **Yes** Other: **Yes**
Motor Vehicle Included: **Yes**



Serial Numbered Collateral

No Serial Numbered Collateral



General Collateral

No General Collateral



Registering Agent

1951584 ONTARIO INC.
200 PONY DRIVE
NEWMARKET ON L3Y7B6

T A B L E

This is Exhibit “E” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

SHARE PLEDGE AGREEMENT

THIS AGREEMENT made as of the 3rd day of October, 2022.

B E T W E E N:

PAUL THOMSON, of the City of Bragg Creek
in the Province of Alberta

(hereinafter referred to as the "Pledgor")

- and -

CARE LENDING GROUP INC., a
corporation duly incorporated under the laws of the
Province of Ontario

(hereinafter referred to as the "Secured Party")

WHEREAS 51 common shares (the "Pledged Shares") of 1000209217 Ontario Ltd. (hereinafter referred to as the "Borrower") are owned by the Pledgor, and the Pledged Shares represent fifty-one percent (51%) of the issued and outstanding common shares (the "Shares") of the Borrower;

AND WHEREAS the Borrower is, or will be indebted to the Secured Party (the "Indebtedness") under the terms of one or more promissory notes issued by the Borrower to the Secured Party (collectively, the "Notes").

AND WHEREAS the Pledgor has delivered to the Secured Party a guarantee, bearing even date with the date of this Agreement (the "Guarantee") pursuant to which the Pledgor has, among other things, guaranteed payment to the Secured Party of all present and future indebtedness and liability of the Borrower to the Secured Party under the Notes and any ultimate unpaid balance thereof, including interest thereon and all costs, charges, and expenses incurred in connection therewith (collectively the "Guaranteed Indebtedness");

AND WHEREAS the Pledgor has agreed to pledge the Pledged Shares to and in favour of the Secured Party as collateral security for the Guaranteed Indebtedness;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Pledgor and the Secured Party agree as follows:

ARTICLE 1.00 - INTERPRETATION

1.1 External Meanings

In this Agreement, words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine, and neuter genders.

Section and Article headings are inserted for convenience of reference only and are not to be considered part of this Agreement or to be full or accurate descriptions of the contents of such sections and Articles.

ARTICLE 2.00 - GRANT OF SECURITY**2.1 Grant of Security**

The Pledgor hereby assigns, pledges and hypothecates to the Secured Party, and grants to the Secured Party a first security interest in the Pledged Shares, whether now or in the future issued and outstanding, and the certificates representing such shares and all proceeds thereof including dividends, cash and other property from time to time received or receivable or any other distribution in respect of or in exchange for any or all of the Pledged Shares (collectively the "**Pledged Collateral**"), to be held by the Secured Party on and subject to the terms of this Agreement as collateral security for the payment of all Guaranteed Indebtedness.

2.2 Possession of Shares

The Pledgor shall deposit with the Secured Party all certificates representing the Pledged Shares. All certificates deposited pursuant to this Section 2.2 shall, unless all necessary consents and approvals are obtained, not contain any reference to restrictions on the transfer of the securities represented thereby and shall be duly endorsed in blank for transfer or shall be attached to duly executed powers of attorney or forms of transfer; provided, however, that the Secured Party shall have the right, at its option at any time, to transfer the Pledged Shares or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear of record as the sole owner thereof. In the event that the Secured Party elects to have the Pledged Shares registered in its own name, the Secured Party agrees that prior to the Secured Party making a demand for payment upon the Pledgor under the Guarantee, the Secured Party shall deliver promptly to the Pledgor 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 Pledgor or its designee a proxy or proxies to vote and take all action with respect to such property. At any time following the demand for payment upon the Pledgor under the Guarantee by the Secured Party, the Pledgor waives all rights to be advised of or to receive any notices, statements or communications received by the Secured Party or its nominee as such record owner, and agrees that no proxy or proxies given by the Secured Party to the Pledgor or its designee as aforesaid shall thereafter be effective.

2.3 Continuing Security

The security granted to the Secured Party under this Agreement shall be a continuing security and the pledge constituted hereby shall not be released, discharged or in any way affected by:

- (a) any increase or decrease in the amount of the Indebtedness;
- (b) an extension of time for payment of the Indebtedness;
- (c) any modification of any of the Indebtedness;
- (d) any change in the name or constitution of the Pledgor or the Borrower; or
- (e) any forbearance whatsoever whether as to time, performance or otherwise, or any compromise, arrangement or plan or reorganization affecting the Pledgor or the Borrower.

2.4 Additional Shares

If any additional Shares are issued after the date of this Agreement by the Borrower to the Pledgor (whether as a result of a consolidation, subdivision, conversion, or exchange of shares or otherwise), such additional Shares shall be beneficially owned only by the Pledgor and shall forthwith upon issuance or acquisition become part of the Pledged Collateral and shall be assigned, pledged, and hypothecated with and to the Secured Party under this

Agreement, in each case in the same manner as the Pledged Shares that are issued and outstanding on the date of this Agreement. Prior to the transfer, registration, and delivery of such additional Shares and share certificates representing such additional Shares as provided for above, all such additional Shares and share certificates and all dividends, cash, or other property from time to time received in respect thereof shall be held by the Pledgor in trust for the Secured Party, segregated from the other property and funds of the Pledgor, and shall be immediately delivered over to the Secured Party on demand.

2.5 Security Purposes of Pledge

The assignment, pledge, and hypothecation of the Pledged Collateral provided for in this Agreement are intended solely for security purposes and upon payment in full of the Guaranteed Indebtedness and the termination of any and all commitments of the Secured Party relating thereto, the Secured Party shall, at the request and cost of the Pledgor, re-transfer or cause the re-transfer to the Pledgor at such time of the Pledged Collateral and the Secured Party or its agents shall, at the cost and expense of the Pledgor, register financing change statements evidencing the discharge of any registrations filed in connection herewith.

2.6 Attachment

The parties intend the security interest to attach on the date of this Agreement in the case of Pledged Collateral in which the Pledgor has an interest on such date and immediately upon the Pledgor obtaining any interest in the case of Pledged Collateral acquired by the Pledgor after the date of this Agreement.

ARTICLE 3.00 - DEALING WITH THE PLEDGED SHARES BEFORE DEFAULT

3.1 Voting Rights

So long as the Secured Party has not made any demand for payment upon the Pledgor under the Guarantee, the Pledgor shall be entitled to exercise any and all voting rights pertaining to the Pledged Shares for any purpose not inconsistent with the terms of this Agreement provided that the Pledgor shall not exercise or refrain from exercising any such right if, in the Secured Party's judgment, acting reasonably, such action would have a material adverse effect on the value of the Pledged Collateral.

3.2 Dividends

After the Secured Party has made a demand for payment upon the Pledgor under the Guarantee, all dividends and other distributions paid or payable in respect of the Pledged Shares shall be payable to the Secured Party and shall be credited to the Guaranteed Indebtedness, and shall, if received by the Pledgor, be received in trust for the benefit of the Secured Party, be segregated from the other property and funds of the Pledgor, and be forthwith delivered to the Secured Party in the same form as received (with any necessary endorsement).

ARTICLE 4.00 - DEALING WITH THE SHARES AFTER DEMAND

4.1 Voting and Dividends

After the Secured Party has demanded payment by the Pledgor of the Guaranteed Indebtedness:

- (a) all rights of the Pledgor to exercise the voting and other consensual rights which the Pledgor would otherwise be entitled to exercise cease; and
- (b) all such rights shall immediately be vested in the Secured Party which shall have the sole right to exercise such voting and other consensual rights.

(c) the Secured Party shall continue to be entitled to receive all dividends and other distributions payable in respect of any Pledged Shares as described in Section 3.2 hereof, and any such dividends and distributions shall, if received by the Pledgor, be received in trust for the benefit of the Secured Party, be segregated from the other property and funds of the Pledgor, and be forthwith delivered to the Secured Party in the same form as received (with any necessary endorsement).

4.2 **Remedies on Default**

After the Secured Party has demanded payment by the Pledgor of the Guaranteed Indebtedness, the Secured Party shall have, without obligation to resort to other security or to take recourse against any guarantor or other party liable, the right at any time and from time to time to sell, resell, assign, and deliver all or any of the Pledged Collateral or any part thereof in Canada or elsewhere, in one or more parcels, at the same or different times, and all right, title, interest, claim, and demand therein and right of redemption thereof, at public or private sale, for cash, upon credit or for immediate or future delivery, and at such price or prices and on such terms as the Secured Party may determine, the Pledgor hereby agreeing that upon any such sale any and all equity and right of redemption shall be automatically waived and released without any further action on the part of the Pledgor, and in connection therewith the Secured Party may grant options, all without any demand, advertisement or notice, all of which are hereby expressly waived by the Pledgor. Until payment in full of the Guaranteed Indebtedness the Secured Party may, in its discretion, retain the Pledged Collateral or any part thereof as continuing collateral security as provided herein. The Secured Party may, in its own right, purchase all or any of the Pledged Collateral being sold, free of any equity or right of redemption. Any cash held by the Secured Party as Pledged Collateral and all proceeds of each such sale may at the discretion of the Secured Party be held as collateral for, or applied to the payment of, all costs and expenses referred to in section 6.4, and after deducting such costs and expenses, any residue may be held as collateral security for or be applied in payment of the Guaranteed Indebtedness in such order as the Secured Party may deem fit, with the Pledgor remaining liable for any deficiency. The balance, if any, remaining after payment in full of the Guaranteed Indebtedness shall be paid over the Pledgor or to whomever else may be entitled to such balance by law. Notwithstanding the foregoing provisions of this section, the Secured Party shall not in any event be under any duty to do any of the foregoing. The Pledgor hereby ratifies all that the Secured Party shall do by virtue of the foregoing authority.

4.3 **Exclusion from Liability**

In realizing upon the Pledged Collateral, the Secured Party shall not be responsible for any loss occasioned by any sale or other realization thereof or for the failure to sell or otherwise dispose of the Pledged Collateral, and the Secured Party shall not be bound to protect the Pledged Collateral from depreciating in value.

4.4 **Remedies Cumulative**

The rights, powers, and remedies of the Secured Party under this Agreement shall not be deemed exclusive, but shall be cumulative with and in addition to all other rights, powers, and remedies existing at law, in equity, under statute, by agreement, or otherwise, including without limitation any right of the Secured Party to retain the Pledged Collateral pursuant to the *Personal Property Security Act* (Ontario).

ARTICLE 5.00 – REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PLEDGOR

5.1 **Representations, Warranties, and Covenants of the Pledgor**

The Pledgor represents, warrants, and covenants to and in favour of the Secured Party that:

Page 5

- (a) The Pledged Collateral is validly pledged under this Agreement in accordance with law, and the Pledgor warrants and covenants to defend the Secured Party's right, security interest, and special property in and to the Pledged Collateral against the claims and demands of all persons whomsoever;
- (b) The Pledgor is the exclusive legal and beneficial owner of, and has good title to, all of the Pledged Collateral free and clear of all claims, liens, security interests, and other encumbrances (except for the security interests created by this Agreement and other security in favour of the Secured Party) and the Pledgor has the unfettered legal right to pledge and assign the Pledged Collateral in accordance with the terms and conditions of this Agreement;
- (c) The Shares are the only voting shares in the capital of the Borrower; and
- (d) No person, firm, or corporation has any right to acquire or cause to be issued to them any of the Pledged Collateral and the Pledgor shall not, while any Guaranteed Indebtedness is outstanding, without the prior written consent of the Secured Party:
 - (i) transfer, sell, or otherwise dispose of, or enter into any agreement to transfer, sell, or otherwise dispose of, or grant any option respecting, any of the Pledged Collateral; or
 - (ii) cause or permit to be issued any further Shares (except for Shares issued to the Pledgor which are pledged to the Secured Party pursuant to the terms of this Agreement).

All of the foregoing representations, warranties, and agreements made in this Agreement shall survive the execution and delivery of this Agreement and shall be deemed to be continuously made under this Agreement so long as any of the Guaranteed Indebtedness remains outstanding.

ARTICLE 6.00 - GENERAL

6.1 Additional Security

The security in respect of the Pledged Collateral provided for under this Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party in relation to the Guaranteed Indebtedness.

6.2 Further Assurances, Immunities, etc.

The Pledgor agrees to do, file, record, make, execute, and deliver all such acts, deeds, things, notices, and instruments as may be necessary or desirable in the opinion of the Secured Party to vest more fully in and assure to the Secured Party the security interests in the Pledged Collateral created by this Agreement or intended to be so created, and the enforcement and full realization of the rights, remedies, and powers of the Secured Party under this Agreement relating to the Pledged Collateral. Without limitation, if at any time after the date of this Agreement, whether or not due to any change in circumstances (including, without limitation, any change in applicable law), it is, in the opinion of counsel for the Secured Party necessary or desirable to file or record this Agreement or any financing statement or other instrument relating to this Agreement, the Pledgor agrees to pay all fees, costs, and expenses of such recording or filing and to execute and deliver any instruments which may be necessary or appropriate to make such filing or recording effective. The Pledgor irrevocably appoints the Secured Party as its attorney-in-fact to perform, in the name of the Pledgor as applicable, or otherwise, any and all acts and to execute any instruments which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (including, without limitation, the signing and filing of financing statements and amendments to such financing statements, which the Secured Party may deem necessary or appropriate to effect and continue perfection of the security interests created or intended to be created by this Agreement) but nothing in this Agreement or otherwise shall require the Secured Party

to take any such action.

6.3 Duty of the Secured Party

The duty of the Secured Party, with respect to the Pledged Collateral shall be confined to one of reasonable care in the custody thereof so long as the Pledged Collateral is in the custody of the Secured Party. Without limitation, and except as specifically provided for in this Agreement, the Secured Party shall have no duty to send any notices, perform any services, vote, pay for or renew any insurance, exercise any options or make any elections with respect to, or pay any taxes or charges associated with, or otherwise take any other action of any kind with respect to the Pledged Collateral. In addition, the Secured Party shall not have any obligation to take any steps, and the Pledgor shall in each case duly take all steps, necessary to perfect and otherwise preserve against all other parties (including without limitation other shareholders) the rights of the Pledgor and those of the Secured Party in the Pledged Collateral and each and every one of the Pledged Shares.

6.4 Expenses

The Pledgor agrees that the Pledged Collateral secures, in addition to the Guaranteed Indebtedness, and agrees to pay on demand, all reasonable expenses (including but not limited to reasonable agents fees and legal fees and expenses), of, or incidental to, the custody, care, sale, or realization of the Pledged Collateral or part of the Pledged Collateral or in any way relating to the preparation, execution, or delivery of this Agreement or the enforcement or protection of the rights of the Secured Party under this Agreement.

6.5 No Merger

The Pledged Collateral shall not operate by way of merger of the Guaranteed Indebtedness or any indebtedness or liability of any other person or persons to the Secured Party and no judgment recovered by the Secured Party shall operate by way of merger of or in any way affect the security of the Pledged Collateral provided for under this Agreement.

6.6 Extensions

The Secured Party may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower and other parties, sureties, guarantors, or securities as the Secured Party may see fit without prejudice to the liability of the Pledgor or the rights of the Secured Party in respect of the Pledged Collateral.

6.7 No Waiver

No failure or delay on the part of the Secured Party in exercising any of its options, powers, and rights, and no partial or single exercise thereof, shall constitute a waiver thereof of or any other option, power or right.

6.8 Indemnity

The Pledgor shall be liable for, and shall indemnify and save the Secured Party harmless of and from all manner of action, causes of action, demands, claims, losses, costs, damages, and expenses of any and every nature whatsoever which the Secured Party may sustain, pay, or incur in respect of or in connection with :

- (a) any and all actions of the Pledgor pursuant to the exercise by the Pledgor of any voting or other rights respecting any of the Pledged Shares; or
- (b) the lawful and proper exercise or performance by the Secured Party of any of its rights and powers as

authorized under this Agreement.

6.9 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario and shall be treated in all respect as an Ontario contract.

6.10 **Notices**

Unless otherwise provided for in this Agreement, any and all written notices or other communications (a "**Communication**") to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, telecopier transmissions, or by mailing by registered mail with postage thereon, fully prepaid, in a sealed envelope addressed to the intended recipient as follows:

(a) to the Pledgor at: 40 Mountain Lion Place
Box 364
Bregg Creek, Alberta T0L 0K0

paul@vanthomconsulting.ca

(b) to the Secured Party at Care Lending Group Inc.
200 Pony Dr.
Newmarket, Ontario
L3Y7B6

Lindsay.macmillan@carelendinggroup.com

or to such other addresses, telecopier number or individual as may be designated by a Communication given by a party to the other parties as aforesaid. Any Communication given by personal delivery shall be conclusively deemed to have been given and received on the date it is so delivered at such address provided that such date is a "**business day**" (a day other than a Saturday, Sunday, or statutory holding in Ontario) and otherwise on the first business day following its receipt, and if given by registered mail, on the third business day following the deposit thereof in the mail and if given by telecopier transmission, on the date on which it was telecopied provided such day is a business day, failing which, on the next following business day. If the party giving any Communication knows or reasonably ought to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal deliver or by telecopier transmission.

6.11 **Entire Agreement, Amendments etc.**

This agreement and the agreements referred to herein constitute the entire agreement between the parties hereto and supersede any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect of the subject matter hereof. No amendment, supplement, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by the party or parties to be bound thereby.

6.12 **Binding Nature**

This Agreement shall be binding upon and enure to the benefit of and be enforceable by the parties to this Agreement and their respective successors and permitted assigns. The Secured Party may assign its rights under this Agreement without the consent of the Pledgor. The Pledgor may not assign its rights under this Agreement without the prior written consent of the Secured Party.

6.13 **Severability**

Any provisions of this Agreement which is prohibited or unenforceable in any applicable jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without affecting the validity or enforceability of such provision in any other jurisdiction.

7.00 - EXECUTION

7.1 **Counterpart**

This Agreement may be executed in counterparts and each such counterpart shall for all purposes constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the same counterpart, provided that each party has signed at least one counterpart.

7.2 **Signature by Fax**

Execution of this Agreement by facsimile transmission shall be binding upon each party hereto and upon the party so signing by facsimile transmission.

WITNESS:

as to the signature of Pledgor

DocuSigned by:
Paul Thomson
977EEF304A8D4F1...

PAUL THOMSON

CARE LENDING GROUP INC.

Per:

Name:

I have authority to bind the Corporation

TAB F

This is Exhibit “F” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

SHARE PLEDGE AGREEMENT

THIS AGREEMENT made as of the 3rd day of October, 2022.

B E T W E E N:

MIHI HEALTH & WELLNESS INC., a
corporation duly incorporated under the laws of the
Province of Alberta
(hereinafter referred to as the "Pledgor")

- and -

CARE LENDING GROUP INC., a
corporation duly incorporated under the laws of the
Province of Ontario

(hereinafter referred to as the "Secured Party")

WHEREAS 49 issued and outstanding common shares (the "Pledged Shares") of 1000209217 Ontario Ltd. (hereinafter referred to as the "Borrower") are owned by the Pledgor, and the Pledged Shares represent forty-nine percent (49%) of the issued and outstanding common shares (the "Shares") of the Borrower;

AND WHEREAS the Borrower is, or will be indebted to the Secured Party (the "Indebtedness") under the terms of one or more promissory notes issued by the Borrower to the Secured Party (collectively, the "Notes").

AND WHEREAS the Pledgor has delivered to the Secured Party a guarantee, bearing even date with the date of this Agreement (the "Guarantee") pursuant to which the Pledgor has, among other things, guaranteed payment to the Secured Party of all present and future indebtedness and liability of the Borrower to the Secured Party under the Notes and any ultimate unpaid balance thereof, including interest thereon and all costs, charges, and expenses incurred in connection therewith (collectively the "Guaranteed Indebtedness");

AND WHEREAS the Pledgor has agreed to pledge the Pledged Shares to and in favour of the Secured Party as collateral security for the Guaranteed Indebtedness;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Pledgor and the Secured Party agree as follows:

ARTICLE 1.00 - INTERPRETATION

1.1 External Meanings

In this Agreement, words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine, and neuter genders.

Section and Article headings are inserted for convenience of reference only and are not to be considered part of this Agreement or to be full or accurate descriptions of the contents of such sections and Articles.

ARTICLE 2.00 - GRANT OF SECURITY**2.1 Grant of Security**

The Pledgor hereby assigns, pledges and hypothecates to the Secured Party, and grants to the Secured Party a first security interest in the Pledged Shares, whether now or in the future issued and outstanding, and the certificates representing such shares and all proceeds thereof including dividends, cash and other property from time to time received or receivable or any other distribution in respect of or in exchange for any or all of the Pledged Shares (collectively the "**Pledged Collateral**"), to be held by the Secured Party on and subject to the terms of this Agreement as collateral security for the payment of all Guaranteed Indebtedness.

2.2 Possession of Shares

The Pledgor shall deposit with the Secured Party all certificates representing the Pledged Shares. All certificates deposited pursuant to this Section 2.2 shall, unless all necessary consents and approvals are obtained, not contain any reference to restrictions on the transfer of the securities represented thereby and shall be duly endorsed in blank for transfer or shall be attached to duly executed powers of attorney or forms of transfer; provided, however, that the Secured Party shall have the right, at its option at any time, to transfer the Pledged Shares or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear of record as the sole owner thereof. In the event that the Secured Party elects to have the Pledged Shares registered in its own name, the Secured Party agrees that prior to the Secured Party making a demand for payment upon the Pledgor under the Guarantee, the Secured Party shall deliver promptly to the Pledgor 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 Pledgor or its designee a proxy or proxies to vote and take all action with respect to such property. At any time following the demand for payment upon the Pledgor under the Guarantee by the Secured Party, the Pledgor waives all rights to be advised of or to receive any notices, statements or communications received by the Secured Party or its nominee as such record owner, and agrees that no proxy or proxies given by the Secured Party to the Pledgor or its designee as aforesaid shall thereafter be effective.

2.3 Continuing Security

The security granted to the Secured Party under this Agreement shall be a continuing security and the pledge constituted hereby shall not be released, discharged or in any way affected by:

- (a) any increase or decrease in the amount of the Indebtedness;
- (b) an extension of time for payment of the Indebtedness;
- (c) any modification of any of the Indebtedness;
- (d) any change in the name or constitution of the Pledgor or the Borrower; or
- (e) any forbearance whatsoever whether as to time, performance or otherwise, or any compromise, arrangement or plan or reorganization affecting the Pledgor or the Borrower.

2.4 Additional Shares

If any additional Shares are issued after the date of this Agreement by the Borrower to the Pledgor (whether as a result of a consolidation, subdivision, conversion, or exchange of shares or otherwise), such additional Shares shall be beneficially owned only by the Pledgor and shall forthwith upon issuance or acquisition become part of the Pledged Collateral and shall be assigned, pledged, and hypothecated with and to the Secured Party under this

Agreement, in each case in the same manner as the Pledged Shares that are issued and outstanding on the date of this Agreement. Prior to the transfer, registration, and delivery of such additional Shares and share certificates representing such additional Shares as provided for above, all such additional Shares and share certificates and all dividends, cash, or other property from time to time received in respect thereof shall be held by the Pledgor in trust for the Secured Party, segregated from the other property and funds of the Pledgor, and shall be immediately delivered over to the Secured Party on demand.

2.5 Security Purposes of Pledge

The assignment, pledge, and hypothecation of the Pledged Collateral provided for in this Agreement are intended solely for security purposes and upon payment in full of the Guaranteed Indebtedness and the termination of any and all commitments of the Secured Party relating thereto, the Secured Party shall, at the request and cost of the Pledgor, re-transfer or cause the re-transfer to the Pledgor at such time of the Pledged Collateral and the Secured Party or its agents shall, at the cost and expense of the Pledgor, register financing change statements evidencing the discharge of any registrations filed in connection herewith.

2.6 Attachment

The parties intend the security interest to attach on the date of this Agreement in the case of Pledged Collateral in which the Pledgor has an interest on such date and immediately upon the Pledgor obtaining any interest in the case of Pledged Collateral acquired by the Pledgor after the date of this Agreement.

ARTICLE 3.00 - DEALING WITH THE PLEDGED SHARES BEFORE DEFAULT

3.1 Voting Rights

So long as the Secured Party has not made any demand for payment upon the Pledgor under the Guarantee, the Pledgor shall be entitled to exercise any and all voting rights pertaining to the Pledged Shares for any purpose not inconsistent with the terms of this Agreement provided that the Pledgor shall not exercise or refrain from exercising any such right if, in the Secured Party's judgment, acting reasonably, such action would have a material adverse effect on the value of the Pledged Collateral.

3.2 Dividends

After the Secured Party has made a demand for payment upon the Pledgor under the Guarantee, all dividends and other distributions paid or payable in respect of the Pledged Shares shall be payable to the Secured Party and shall be credited to the Guaranteed Indebtedness, and shall, if received by the Pledgor, be received in trust for the benefit of the Secured Party, be segregated from the other property and funds of the Pledgor, and be forthwith delivered to the Secured Party in the same form as received (with any necessary endorsement).

ARTICLE 4.00 - DEALING WITH THE SHARES AFTER DEMAND

4.1 Voting and Dividends

After the Secured Party has demanded payment by the Pledgor of the Guaranteed Indebtedness:

- (a) all rights of the Pledgor to exercise the voting and other consensual rights which the Pledgor would otherwise be entitled to exercise cease; and
- (b) all such rights shall immediately be vested in the Secured Party which shall have the sole right to exercise such voting and other consensual rights.

(c) the Secured Party shall continue to be entitled to receive all dividends and other distributions payable in respect of any Pledged Shares as described in Section 3.2 hereof, and any such dividends and distributions shall, if received by the Pledgor, be received in trust for the benefit of the Secured Party, be segregated from the other property and funds of the Pledgor, and be forthwith delivered to the Secured Party in the same form as received (with any necessary endorsement).

4.2 **Remedies on Default**

After the Secured Party has demanded payment by the Pledgor of the Guaranteed Indebtedness, the Secured Party shall have, without obligation to resort to other security or to take recourse against any guarantor or other party liable, the right at any time and from time to time to sell, resell, assign, and deliver all or any of the Pledged Collateral or any part thereof in Canada or elsewhere, in one or more parcels, at the same or different times, and all right, title, interest, claim, and demand therein and right of redemption thereof, at public or private sale, for cash, upon credit or for immediate or future delivery, and at such price or prices and on such terms as the Secured Party may determine, the Pledgor hereby agreeing that upon any such sale any and all equity and right of redemption shall be automatically waived and released without any further action on the part of the Pledgor, and in connection therewith the Secured Party may grant options, all without any demand, advertisement or notice, all of which are hereby expressly waived by the Pledgor. Until payment in full of the Guaranteed Indebtedness the Secured Party may, in its discretion, retain the Pledged Collateral or any part thereof as continuing collateral security as provided herein. The Secured Party may, in its own right, purchase all or any of the Pledged Collateral being sold, free of any equity or right of redemption. Any cash held by the Secured Party as Pledged Collateral and all proceeds of each such sale may at the discretion of the Secured Party be held as collateral for, or applied to the payment of, all costs and expenses referred to in section 6.4, and after deducting such costs and expenses, any residue may be held as collateral security for or be applied in payment of the Guaranteed Indebtedness in such order as the Secured Party may deem fit, with the Pledgor remaining liable for any deficiency. The balance, if any, remaining after payment in full of the Guaranteed Indebtedness shall be paid over the Pledgor or to whomever else may be entitled to such balance by law. Notwithstanding the foregoing provisions of this section, the Secured Party shall not in any event be under any duty to do any of the foregoing. The Pledgor hereby ratifies all that the Secured Party shall do by virtue of the foregoing authority.

4.3 **Exclusion from Liability**

In realizing upon the Pledged Collateral, the Secured Party shall not be responsible for any loss occasioned by any sale or other realization thereof or for the failure to sell or otherwise dispose of the Pledged Collateral, and the Secured Party shall not be bound to protect the Pledged Collateral from depreciating in value.

4.4 **Remedies Cumulative**

The rights, powers, and remedies of the Secured Party under this Agreement shall not be deemed exclusive, but shall be cumulative with and in addition to all other rights, powers, and remedies existing at law, in equity, under statute, by agreement, or otherwise, including without limitation any right of the Secured Party to retain the Pledged Collateral pursuant to the *Personal Property Security Act* (Ontario).

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5.1 **Representations, Warranties, and Covenants of the Pledgor**

The Pledgor represents, warrants, and covenants to and in favour of the Secured Party that:

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- (a) The Pledged Collateral is validly pledged under this Agreement in accordance with law, and the Pledgor warrants and covenants to defend the Secured Party's right, security interest, and special property in and to the Pledged Collateral against the claims and demands of all persons whomsoever;
- (b) The Pledgor is the exclusive legal and beneficial owner of, and has good title to, all of the Pledged Collateral free and clear of all claims, liens, security interests, and other encumbrances (except for the security interests created by this Agreement and other security in favour of the Secured Party) and the Pledgor has the unfettered legal right to pledge and assign the Pledged Collateral in accordance with the terms and conditions of this Agreement;
- (c) The Shares are the only voting shares in the capital of the Borrower; and
- (d) No person, firm, or corporation has any right to acquire or cause to be issued to them any of the Pledged Collateral and the Pledgor shall not, while any Guaranteed Indebtedness is outstanding, without the prior written consent of the Secured Party:
 - (i) transfer, sell, or otherwise dispose of, or enter into any agreement to transfer, sell, or otherwise dispose of, or grant any option respecting, any of the Pledged Collateral; or
 - (ii) cause or permit to be issued any further Shares (except for Shares issued to the Pledgor which are pledged to the Secured Party pursuant to the terms of this Agreement).

All of the foregoing representations, warranties, and agreements made in this Agreement shall survive the execution and delivery of this Agreement and shall be deemed to be continuously made under this Agreement so long as any of the Guaranteed Indebtedness remains outstanding.

ARTICLE 6.00 - GENERAL

6.1 Additional Security

The security in respect of the Pledged Collateral provided for under this Agreement is in addition to and not in substitution for any other security now or hereafter held by the Secured Party in relation to the Guaranteed Indebtedness.

6.2 Further Assurances, Immunities, etc.

The Pledgor agrees to do, file, record, make, execute, and deliver all such acts, deeds, things, notices, and instruments as may be necessary or desirable in the opinion of the Secured Party to vest more fully in and assure to the Secured Party the security interests in the Pledged Collateral created by this Agreement or intended to be so created, and the enforcement and full realization of the rights, remedies, and powers of the Secured Party under this Agreement relating to the Pledged Collateral. Without limitation, if at any time after the date of this Agreement, whether or not due to any change in circumstances (including, without limitation, any change in applicable law), it is, in the opinion of counsel for the Secured Party necessary or desirable to file or record this Agreement or any financing statement or other instrument relating to this Agreement, the Pledgor agrees to pay all fees, costs, and expenses of such recording or filing and to execute and deliver any instruments which may be necessary or appropriate to make such filing or recording effective. The Pledgor irrevocably appoints the Secured Party as its attorney-in-fact to perform, in the name of the Pledgor as applicable, or otherwise, any and all acts and to execute any instruments which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (including, without limitation, the signing and filing of financing statements and amendments to such financing statements, which the Secured Party may deem necessary or appropriate to effect and continue perfection of the security interests created or intended to be created by this Agreement) but nothing in this Agreement or otherwise shall require the Secured Party

to take any such action.

6.3 Duty of the Secured Party

The duty of the Secured Party, with respect to the Pledged Collateral shall be confined to one of reasonable care in the custody thereof so long as the Pledged Collateral is in the custody of the Secured Party. Without limitation, and except as specifically provided for in this Agreement, the Secured Party shall have no duty to send any notices, perform any services, vote, pay for or renew any insurance, exercise any options or make any elections with respect to, or pay any taxes or charges associated with, or otherwise take any other action of any kind with respect to the Pledged Collateral. In addition, the Secured Party shall not have any obligation to take any steps, and the Pledgor shall in each case duly take all steps, necessary to perfect and otherwise preserve against all other parties (including without limitation other shareholders) the rights of the Pledgor and those of the Secured Party in the Pledged Collateral and each and every one of the Pledged Shares.

6.4 Expenses

The Pledgor agrees that the Pledged Collateral secures, in addition to the Guaranteed Indebtedness, and agrees to pay on demand, all reasonable expenses (including but not limited to reasonable agents fees and legal fees and expenses), of, or incidental to, the custody, care, sale, or realization of the Pledged Collateral or part of the Pledged Collateral or in any way relating to the preparation, execution, or delivery of this Agreement or the enforcement or protection of the rights of the Secured Party under this Agreement.

6.5 No Merger

The Pledged Collateral shall not operate by way of merger of the Guaranteed Indebtedness or any indebtedness or liability of any other person or persons to the Secured Party and no judgment recovered by the Secured Party shall operate by way of merger of or in any way affect the security of the Pledged Collateral provided for under this Agreement.

6.6 Extensions

The Secured Party may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower and other parties, sureties, guarantors, or securities as the Secured Party may see fit without prejudice to the liability of the Pledgor or the rights of the Secured Party in respect of the Pledged Collateral.

6.7 No Waiver

No failure or delay on the part of the Secured Party in exercising any of its options, powers, and rights, and no partial or single exercise thereof, shall constitute a waiver thereof of or any other option, power or right.

6.8 Indemnity

The Pledgor shall be liable for, and shall indemnify and save the Secured Party harmless of and from all manner of action, causes of action, demands, claims, losses, costs, damages, and expenses of any and every nature whatsoever which the Secured Party may sustain, pay, or incur in respect of or in connection with :

- (a) any and all actions of the Pledgor pursuant to the exercise by the Pledgor of any voting or other rights respecting any of the Pledged Shares; or
- (b) the lawful and proper exercise or performance by the Secured Party of any of its rights and powers as

authorized under this Agreement.

6.9 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario and shall be treated in all respect as an Ontario contract.

6.10 **Notices**

Unless otherwise provided for in this Agreement, any and all written notices or other communications (a "**Communication**") to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, telecopier transmissions, or by mailing by registered mail with postage thereon, fully prepaid, in a sealed envelope addressed to the intended recipient as follows:

(a) to the Pledgor at: Suite 1008, 150 York Street
Toronto, ON M5H 3S5
Attention: Jude Pinto
jude@snybcorp.com

(b) to the Secured Party at Care Lending Group Inc.
200 Pony Dr.
Newmarket, Ontario
L3Y7B6

Lindsay.macmillan@carelendinggroup.com

or to such other addresses, telecopier number or individual as may be designated by a Communication given by a party to the other parties as aforesaid. Any Communication given by personal delivery shall be conclusively deemed to have been given and received on the date it is so delivered at such address provided that such date is a "**business day**" (a day other than a Saturday, Sunday, or statutory holding in Ontario) and otherwise on the first business day following its receipt, and if given by registered mail, on the third business day following the deposit thereof in the mail and if given by telecopier transmission, on the date on which it was telecopied provided such day is a business day, failing which, on the next following business day. If the party giving any Communication knows or reasonably ought to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal deliver or by telecopier transmission.

6.11 **Entire Agreement, Amendments etc.**

This agreement and the agreements referred to herein constitute the entire agreement between the parties hereto and supersede any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect of the subject matter hereof. No amendment, supplement, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by the party or parties to be bound thereby.

6.12 **Binding Nature**

This Agreement shall be binding upon and enure to the benefit of and be enforceable by the parties to this Agreement and their respective successors and permitted assigns. The Secured Party may assign its rights under this Agreement without the consent of the Pledgor. The Pledgor may not assign its rights under this Agreement without the prior written consent of the Secured Party.

6.13 **Severability**

Any provisions of this Agreement which is prohibited or unenforceable in any applicable jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without affecting the validity or enforceability of such provision in any other jurisdiction.

7.00 - EXECUTION

7.1 **Counterpart**

This Agreement may be executed in counterparts and each such counterpart shall for all purposes constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the same counterpart, provided that each party has signed at least one counterpart.

7.2 **Signature by Fax**

Execution of this Agreement by facsimile transmission shall be binding upon each party hereto and upon the party so signing by facsimile transmission.

MIHI HEALTH & WELLNESS INC.

Per: DocuSigned by:

Kevin Reed

DocuSigned by: 09A75B31E112462...

Name: Kevin Reed

Title: Chief Executive Officer

I have authority to bind the Corporation

CARE LENDING GROUP INC.

Per:

Name:

I have authority to bind the Corporation

TAB G

This is Exhibit “G” referred to in Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

CONTROL AGREEMENT

TO: CARE LENDING GROUP INC. (“CLG”)
AND TO: PAUL THOMSON (“PAUL”) AND MIHI HEALTH & WELLNESS INC. (“MIHI”)
RE: SHARES IN THE CAPITAL OF 1000209217 ONTARIO LTD.
(“PURCHASECO”)

WHEREAS Purchaseco has determined, by resolution in accordance with the *Business Corporations Act* (Ontario) (the “**OBCA**”), that the securities of Purchaseco shall be uncertificated securities in accordance with subsection 54(2) of the OBCA;

AND WHEREAS Paul and MIHI, as shareholders of MRO, have pledged all of their shares in the capital of Purchaseco to CLG and CLG wishes to perfect its interest in such shares pursuant to the provisions of the *Personal Property Security Act* (“**PPSA**”);

AND WHEREAS the PPSA provides, in subsection 1(1), that an uncertificated security is an investment property;

AND WHEREAS the PPSA provides, in section 22.1 thereof, that a security interest in an investment property may be perfected by control, within the meaning of subsection 1(2) of the PPSA, which, in turn, provides that a secured party has control of an uncertificated security if the secured party has control within the meaning of section 24 of the *Securities Transfer Act, 2006* (the “**STA**”);

AND WHEREAS section 24 of the STA provides that control is achieved if the issuer of the security has agreed that the issuer will comply with the instructions of the secured party without the further consent of the registered owner of the security;

AND WHEREAS Paul and MIHI have requested that Purchaseco provide this Control Acknowledgement to CLG in order that CLG may perfect its security interest in the securities of Purchaseco pledged by Paul and MIHI;

NOW THEREFORE MRO acknowledges and agrees as follows:

1. Purchaseco acknowledges having received a copy of a share pledge agreement, dated as of the date hereof, executed by each of Paul and MIHI (the “**Pledge Agreement**”) in favour of CLG, granting CLG a security interest in the FIFTY-ONE (51) Common Shares and FORTY-NINE (49) Common Shares (collectively, the “**Pledged Shares**”) registered in the names of and owned by Paul and MIHI, respectively.
2. Purchaseco acknowledges that:
 - a. Each of Paul and MIHI is the registered owner of the Pledged Shares as indicated, above;
 - b. MRO has no notice of any prior hypothecation or pledge of the Pledged Shares and has granted no control acknowledgement in respect of the Pledged Shares.

3. Purchaseco agrees that it will accept and comply with instructions relating to the Pledged Shares given by CLG pursuant to its rights under the Pledge Agreement without the further consent or instruction of Paul or MIHI, as the case may be. Purchaseco acknowledges that it will not accept instructions from Paul or MIHI in respect of the Pledged Shares registered in their respective name or over which Paul or MIHI exercises authority or direction, except as may specifically be provided for in the Pledge Agreement.
4. Purchaseco agrees that this Control Acknowledgement will extend to and include any securities subsequently issued by Purchaseco to Paul or MIHI or which Paul or MIHI may, to the knowledge of Purchaseco, acquire to the extent such subsequently issued securities are, by the terms of the Pledge Agreement, subject to such Pledge Agreement and the security interest created thereby.
5. Purchaseco intends that this Control Acknowledgement represents agreement by Purchaseco as anticipated in subsection 24(2) of the STA, thereby providing to CLG control over the Pledged Shares within the meaning of the PPSA.
6. In the event that certificates representing any of the Pledged Shares (or additional securities that may be subject to the Pledge Agreements and this Control Acknowledgement) are ever issued by Purchaseco to Paul or MIHI, Purchaseco agrees that such certificates shall forthwith be delivered to or to the order of CLG.
7. This Control Acknowledgement shall remain in full force and effect until revoked by notice in writing issued by CLG to Purchaseco.
8. The provisions hereof shall inure to the benefit of and be binding upon the respective heirs, executors, personal representatives, successors and permitted assigns of Purchaseco and the addressees hereof.
9. The provisions hereof shall be subject to and interpreted in accordance with the laws of the Province of Ontario.

DATED as of the 3rd day of October, 2022.

1000209217 ONTARIO LTD.

DocuSigned by:
Michael Nadeau
Per: 419B5E5D304B419
Michael Nadeau, President

Each of the undersigned, being the registered and beneficial owner of the Pledged Shares referred to in the Control Acknowledgment, above, hereby confirms and ratifies their instruction to 1000209217 Ontario Ltd. to enter into and comply with the provisions of this Control Acknowledgment.

3

DocuSigned by:
Paul Thomson
977EEF304A8D4F1...

Paul Thomson

MIHI HEALTH & WELLNESS INC.

DocuSigned by:
Kevin Reed
D9A75D31E112462...

Per: _____
Kevin Reed, CEO

TAB H

This is Exhibit “H” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

**Care Lending Group Inc.
Guarantee**

1. CUSTOMER GUARANTEED

The name of the customer whose obligations you are guaranteeing is: 1000209217 ONTARIO LTD.
(who, together with the Customer's successors, heirs and assigns, shall be referred to herein as the "Customer").

2. OBLIGATIONS GUARANTEED

In consideration of Care Lending Group Inc.(referred to as "we", "our", "ours" and "us" in this Guarantee) dealing with or continuing to deal with the Customer, you guarantee payment to us on demand, of all present and future lease payments and obligations, conditional sale instalments and obligations, and any other debts and liabilities (collectively, the "Obligations"), both direct and indirect, (whether incurred alone or jointly with others, whether absolute or contingent, whether matured or not matured, and whether for principal, interest or fees) payable to us by the Customer under any and all lease agreements, conditional sale contracts, credit facilities, overdrafts, guarantees, letters of credit, indemnities together with all costs and expenses, including legal fees and expenses, incurred by us in connection with its dealings with the Customer. You agree to be bound by each of the terms and conditions set out below.

3. THE NATURE OF YOUR LIABILITY

Your liability under this Guarantee is CONTINUING, absolute and unconditional. It will not be limited, reduced, or otherwise affected by any one or more of the following events:

- the unenforceability of the Obligations, any security, or any of our other rights against the Customer or any other person
- any change in the terms or amount or existence of the Obligations
- the extension of time for payment to the Customer or the granting of any indulgence or concession to the Customer or any other person
- the taking or not taking of a guarantee from any other person
- not taking, perfecting, registering, or renewing any security
- accepting settlement from, or granting releases or discharges to, the Customer or any other person, including another guarantor
- any delay or default by us in the exercise of any right or remedy against you or the Customer
- your liability under any other guarantee
- the reorganization of the Customer's business (whether by amalgamation, merger, transfer, sale or otherwise)
- any change in the Customer's financial condition
- any change in control of the Customer (if the Customer is a corporation)
- a dissolution or change in membership of the Customer (if the Customer is a partnership)
- the bankruptcy of the Customer or any proceedings commenced by the Customer under the *Bankruptcy and Insolvency Act* or the *Companies Creditors Arrangement Act* or successor legislation
- our failure to abide by agreements relating to the Obligations
- a breach of any duty of ours (whether fiduciary or in negligence or otherwise) and whether owed to you, the Customer, or any other person
- incapacity, or lack of status or legal existence of the Customer
- the Customer's account being closed or our ceasing to deal with the Customer
- any irregularity, fraud, defect or lack of authority or formality in incurring the Obligation
- not providing our claim in a bankruptcy of the Customer or not proving our claim in full
- any event whatsoever that might be a defence available to the Customer for its obligation or a defence to you under this Guarantee, all of which are hereby waived

4. CARE LENDING GROUP INC NOT LIABLE

We do not owe you any duty (as a fiduciary or otherwise) and you hereby waive any right to make any claim or counterclaim and to raise any right of set off, equitable or otherwise, arising from any alleged breach of a duty owed to you, or the Customer or any other person. We will not be liable to you nor shall you make any claim for any negligence or any breaches or omissions on our part, or any of our employees, officers, directors or agents, or any receivers appointed by us, in the course of any of our actions or their actions.

5. TERMINATING FURTHER LIABILITY

You may cancel this Guarantee for any future Obligations by providing us with express written notice of any such cancellation. You will, however, continue to be liable under this Guarantee for any of the Obligations that the Customer incurs up to and including the day after we receive your notice and for Obligations arising out of agreements made prior to the receipt of your notice.

6. NO SETOFF OR COUNTERCLAIM

You will make all payments required to be made under this Guarantee without regard to any right of setoff or counterclaim that you have or may have against us or the Customer, which rights you waive. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, we are authorized upon any amounts being payable by you to us hereunder, without notice, any such notice being expressly waived by you, to setoff, appropriate and apply any and all deposits and any other indebtedness at any time held by us, or owing to you, against and on account of the Obligations.

7. REINSTATEMENT

This Guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by us by reason of the insolvency, bankruptcy or reorganization of the Customer or for any other reason not involving our wilful misconduct, all as though such payment had not been made.

8. APPLICATION OF MONEYS RECEIVED

We may, without notice, apply all moneys received from you, or the Customer or any other person (including under any security that we may from time to time hold) to such part of the Obligations as we, in our absolute discretion, consider appropriate. We may also revoke and alter any such application.

9. EXHAUSTING RECOURSE

We do not need to exhaust our recourse against the Customer or any other person or under any security interest we may from time to time hold before being entitled to full payment from you under this Guarantee. You waive all benefits of discussion and division.

10. INDEMNITY

As an original and independent obligation under this Guarantee, you shall (a) indemnify us and keep us indemnified against any cost, loss, expense or liability of whatever kind resulting from the failure by the Customer to make due and punctual payment of any of the Obligations or resulting from any of the Obligations being or becoming void, voidable, unenforceable or ineffective against the Customer (including, without limitation, all legal and other costs, charges and expenses incurred by us in connection with preserving or enforcing, or attempting to preserve or enforce, our rights under this Guarantee), and (b) pay on demand the amount of such cost, loss, expense or liability whether or not we have attempted to enforce any rights against the Customer, any other guarantor, or any other person.

11. POSTPONED SUBROGATION

Until the Obligations have been paid in full, you will not make any claim for repayment or contribution from the Customer or any guarantor, for any payment that you make under this Guarantee. Until all the Obligations are paid in full, we may include in our claim in the bankruptcy of the Customer the amount paid by you under this Guarantee and receive dividends in respect of that claim because you assign to us your right to prove your claim and receive dividends.

12. COSTS AND EXPENSES

You agree to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of our in-house lawyers. You will pay the legal fees on a solicitor and own client basis.

13. ASSIGNMENT AND POSTPONEMENT OF CLAIMS

You postpone the repayment of all present and future debts and liabilities that the Customer owes to you to the prior payment to us of the Obligations. You assign to us all such debts and liabilities, until the Obligations are repaid in full. If you receive any moneys in payment of any of such debts and liabilities, you will hold them in trust for, and will immediately pay them to, us without reducing your liability under this Guarantee.

14. CONSENT TO DISCLOSE INFORMATION

We may from time to time give any credit or other information about you to, or receive such information from, any credit bureau, reporting agency or other person.

15. ASSIGNMENT OF OBLIGATIONS

We may, without notice, sell or assign the Obligations and in such case, our assignee may enforce this Guarantee and we may enforce this Guarantee for any part of the Obligations not sold or assigned.

16. GOVERNING LAW

This Guarantee shall be construed in accordance with the laws of the province where the Customer's account is held and you irrevocably submit to the exclusive jurisdiction of the courts of that province.

17. GENERAL

Any provision of this Guarantee that is void or unenforceable in a jurisdiction is, as to that jurisdiction, ineffective to that extent without invalidating the remaining provisions. If two or more persons sign this Guarantee, each person's liability will be joint and several. This Guarantee is in addition and without prejudice to any security of any kind now or in the future held by us. There are no representations, collateral agreements, warranties, or conditions with respect to, or affecting your liability under this Guarantee other than as contained in this Guarantee. No alteration or waiver of this Guarantee or any of its terms or conditions shall be binding on us unless expressly made in writing by us. Our written statement of the amount of the Obligations shall be conclusive and binding on you. You expressly waive notice of the existence or creation of all or any of the Obligations, presentment, demand, notice of dishonor, protest and all other notices whatsoever.

18. FURTHER ASSURANCES

You shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as we may reasonably request for the purpose of giving effect to this Guarantee.

19. DEFINITIONS

In this Guarantee "you" "your" and "yours" refer to the guarantor named below.

Dated this 3rd day of October, 2022.

MIHI HEALTH & WELLNESS INC.

DocuSigned by:
BY: 

Name: Kevin Reed

Title: Chief Executive Officer

BY: _____

Name:

Title:

TAB I

This is Exhibit "I" referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 1
(1513)

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

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.

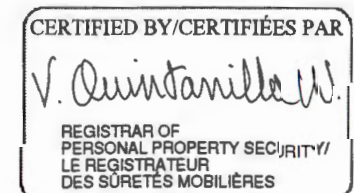
FILE CURRENCY : 05JUN 2024

ENQUIRY NUMBER 20240606102737.42 CONTAINS 10 PAGE(S), 5 FAMILY(IES).

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

MILLER THOMSON LLP

40 KING STREET WEST, SUITE 5800
TORONTO ON M5H 3S1



(crfj6 45/20;22)

CONTINUED... 2

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 2
(1514)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
795918294

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	3		20230803 1623 6005 8588	P PPSA	06

01

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
---------------	------------------	---------	---------

02

DEBTOR NAME

BUSINESS NAME 1000209217 ONTARIO LTD.

03

ONTARIO CORPORATION NO.
ON K6H 0E7

04

ADDRESS 107-703 COTTON MILL STREET CORNWALL

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
---------------	------------------	---------	---------

05

DEBTOR NAME

BUSINESS NAME COTTON MILL PHARMACY

06

ONTARIO CORPORATION NO.
ON K6H 0E7

07

ADDRESS 107-703 COTTON MILL STREET CORNWALL

08

SECURED PARTY / LIEN CLAIMANT

CWB NATIONAL LEASING INC.

09

ADDRESS 1525 BUFFALO PLACE (3165811) WINNIPEG MB R3T 1L9

COLLATERAL CLASSIFICATION

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

10

YEAR MAKE	MODEL	V.I.N.
-----------	-------	--------

11

MOTOR VEHICLE

12

13

GENERAL

ALL MEDICAL & LAB EQUIPMENT-PLANETARY MIXER OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 3165811, BETWEEN EASYLEASE CORP., AS ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED

14

COLLATERAL DESCRIPTION

15

16

REGISTERING AGENT

ADDRESS

17

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

CONTINUED...

3

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crjfv 05/2022)

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 3
(1515)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
79591B294

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	3		20230803 1623 6005 8588		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08 SECURED PARTY /

09 LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

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

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM

14 COLLATERAL TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES,

15 DESCRIPTION SUBSTITUTIONS AND PROCEEDS OF ANY KIND DERIVED DIRECTLY OR INDIRECTLY

16 REGISTERING

17 AGENT

ADDRESS

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

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 4
(1516)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
795918294

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
003 3 20230803 1623 6005 8588

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY /
09 LIEN CLAIMANT ADDRESS

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

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

13 GENERAL THEREFROM.
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
17 AGENT ADDRESS

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

CONTINUED... 5

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

(crj1fv 05/2022)



RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 5
(1517)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
787515327

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	01	001		20221012 1703 1462 4743	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1000209217 ONTARIO LTD.

04 ADDRESS 107-703 COTTON MILL STREET CORNWALL ONTARIO CORPORATION NO. ON K6H0E7

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / MCKESSON CANADA CORPORATION
LIEN CLAIMANT

09 ADDRESS 2300 MEADOWVALE BLVD MISSISSAUGA ON L5N5P9

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

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING MCKESSON CANADA CORPORATION CREDIT DEPARTMENT
AGENT

17 ADDRESS 2300 MEADOWVALE BLVD MISSISSAUGA ON L5N5P9

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

CONTINUED... 6

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

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 6
(1518)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
787515336

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	01	001		20221012 1703 1462 4744	P PPSA	5

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1000209217 ONTARIO LTD.

04 ADDRESS 107-703 COTTON MILL STREET CORNWALL ONTARIO CORPORATION NO. ON K6H0E7

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT MCKESSON CANADA CORPORATION

09 ADDRESS 2300 MEADOWVALE BLVD MISSISSAUGA ON L5N5P9

COLLATERAL CLASSIFICATION

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

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

12

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT MCKESSON CANADA CORPORATION CREDIT DEPARTMENT

17 ADDRESS 2300 MEADOWVALE BLVD MISSISSAUGA ON L5N5P9

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

CONTINUED... 7

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

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 7
(1519)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
787302171

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20221004 1605 1590 2949	P PPSA	3

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

02						
03						
04						
	BUSINESS NAME	1000209217 ONTARIO LTD.			ONTARIO CORPORATION NO.	
	ADDRESS	150 YORK STREET, SUITE 1008	TORONTO	ON	M5H 3S5	

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

05						
06						
07						
	BUSINESS NAME				ONTARIO CORPORATION NO.	
	ADDRESS					

08						
09						
	SECURED PARTY / LIEN CLAIMANT	COTTON MILL PHARMACY INC.				
	ADDRESS	34 MALACHIGAN CROIS.	OTTAWA	ON	K4A 1G6	

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	YEAR MAKE	MODEL	V.I.N.
---------------	-----------	-------	--------

13 GENERAL COLLATERAL DESCRIPTION

16						
17						
	REGISTERING AGENT	WILSON VUKELICH LLP (42-2992)				
	ADDRESS	710-60 COLUMBIA WAY	MARKHAM	ON	L3R 0C9	

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

CONTINUED... 8

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

(crj1fv 05/2022)



RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 8
(1520)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20221005 1116 1590 3092	
21	RECORD REFERENCED	FILE NUMBER	787302171		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	X	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	CORRECT PERIOD
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	1000209217 ONTARIO LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION	TO CHANGE THE NAME OF SECURED PARTY FROM COTTON MILL PHARMACY INC. TO 2471911 ONTARIO INC. BY WAY OF ARTICLES OF AMENDMENT FILED OCTOBER 5, 2022.			
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05/	DEBTOR/ TRANSFEREE	BUSINESS NAME			
06/	DEBTOR/ TRANSFEREE	ADDRESS	ONTARIO CORPORATION NO.		
04/07	DEBTOR/ TRANSFEREE	ADDRESS			
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE	2471911 ONTARIO INC.		
08	ASSIGNOR	ADDRESS	34 MALACHIGAN CROIS.	OTTAWA	ON K4A 1G6
09	ASSIGNOR	ADDRESS			
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF MATURITY OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
12	GENERAL				
13	COLLATERAL DESCRIPTION				
14	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	WILSON VUKELICH LLP (42-2992) 710-60 COLUMBIA WAY	MARKHAM	ON L3R 0C9

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

CONTINUED... 9

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

(cri2fv 05/2022)

Ontario 

RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 9
(1521)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
786695976

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	1		20220914 1633 1793 8086	P PPSA	10

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02				

03	BUSINESS NAME	1000209217 ONTARIO LTD.		
----	---------------	-------------------------	--	--

04	ADDRESS	107-703 COTTON MILL STREET	CORNWALL	ONTARIO CORPORATION NO. ON K6H0E7
----	---------	----------------------------	----------	--------------------------------------

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05				

06	BUSINESS NAME	MIHI HEALTH & WELLNESS INC.		
----	---------------	-----------------------------	--	--

07	ADDRESS	4500, 855-2ND STREET SW	CALGARY	ONTARIO CORPORATION NO. AB T2P4K7
----	---------	-------------------------	---------	--------------------------------------

08	SECURED PARTY / LIEN CLAIMANT	CARE LENDING GROUP INC.		
----	-------------------------------	-------------------------	--	--

09	ADDRESS	200 PONY DRIVE	NEWMARKET	ON L3Y7B6
----	---------	----------------	-----------	-----------

COLLATERAL CLASSIFICATION

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

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

12

13 GENERAL COLLATERAL DESCRIPTION

16	REGISTERING AGENT	1951584 ONTARIO INC.		
----	-------------------	----------------------	--	--

17	ADDRESS	200 PONY DRIVE	NEWMARKET	ON L3Y7B6
----	---------	----------------	-----------	-----------

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

CONTINUED... 10

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

(crj1fv 05/2022)



RUN NUMBER : 158
RUN DATE : 2024/06/06
ID : 20240606102737.42

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

REPORT : PSSR060
PAGE : 10
(1522)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000209217 ONTARIO LTD.
FILE CURRENCY : 05JUN 2024

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
795918294	20230803 1623 6005 8588			
787515327	20221012 1703 1462 4743			
787515336	20221012 1703 1462 4744			
787302171	20221004 1605 1590 2949	20221005 1116 1590 3092		
786695976	20220914 1633 1793 8086			

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

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

(crj6 05/2022)

Ontario 

TAB J

This is Exhibit “J” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

SUBORDINATION AGREEMENT (WITHOUT POSTPONEMENT)

THIS AGREEMENT made as of the 3rd day of October, 2022.

B E T W E E N:

CARE LENDING GROUP INC.

200 Pony Drive,
Newmarket, Ontario
L3Y 7B6

Fax:

(hereinafter the “**Senior Lender**”)

- and -

COTTON MILL PHARMACY INC.

34 Malachigan Crois,
Ottawa, Ontario
K4A 1G6

Fax: N/A

(hereinafter the “**Subordinate Lender**”)

- and -

1000209217 ONTARIO LTD.

107-703 Cotton Mill Street
Cornwall, Ontario
K6H 0E7

Fax:

(hereinafter the “**Debtor**”).

WHEREAS the Debtor is indebted to, or may hereafter become indebted to, the Subordinate Lender and in connection with such indebtedness (collectively, the “**Subordinate Lender Indebtedness**”) has provided certain security to the Subordinate Lender as collateral security for the Subordinate Lender Indebtedness (such security and any other security so given in addition to or in substitution for the whole or any part of said security being hereinafter collectively referred to as the “**Subordinate Lender Security**”);

AND WHEREAS the Debtor is indebted to, or may hereafter become indebted to, the Senior Lender and in connection with such indebtedness (collectively, the “**Senior Lender Indebtedness**”) has provided certain security to the Senior Lender as collateral security

for such Senior Lender Indebtedness (such security and any other security so given in addition to or in substitution for the whole or any part of said security being hereinafter collectively referred to as the “**Senior Lender Security**”);

AND WHEREAS the parties hereto consider that it is desirable to establish and agree as to the relative priorities of the Senior Lender Security and the Subordinate Lender Security and the indebtedness secured thereby respectively;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual terms and conditions herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each such party), the parties hereto agree as follows:

1. The Subordinate Lender hereby agrees with the Senior Lender, the Debtor and each of them and declares that notwithstanding any prior execution, delivery or registration of the Subordinate Lender Security, the security constituted by the Subordinate Lender Security and the Subordinate Lender Indebtedness secured thereby shall be and are hereby postponed to and shall rank subsequent and subordinate to the security constituted by the Senior Lender Security and the Senior Lender Indebtedness secured thereby.

2. The priority of the Senior Lender Security set out in paragraph 1 and all other rights established, altered or specified herein shall:

- (a) be applicable irrespective of the time or order of creation, execution, delivery, attachment or perfection thereof, the method of perfecting, the time or order of registration of filing financing statements or taking possession, records of mortgages or other instruments, assignments or agreements, the giving of or failure to give notice of the acquiring of any charge, lien or security interest or the date or dates of any loan or advance or advances by either the Senior Lender or the Subordinate Lender, the date or dates of any default by the Debtor under the Senior Lender Security or the Subordinate Lender Security or the taking of any enforcement proceedings including possession with respect to such security; and
- (b) extend to all proceeds in any form derived, arising or resulting from any realization of the Subordinate Lender Security, including all proceeds of insurance policies covering assets of the Debtor subject to the Subordinate Lender Security.

3. Nothing herein shall prevent the Debtor from making any payments of principal or interest to the Subordinate Lender with respect to the indebtedness secured by the Subordinate Lender Security until:

- (a) the bankruptcy, liquidation or winding-up of the Debtor or other distribution of its property and assets for the purpose of winding up its affairs;
- (b) the Senior Lender shall have commenced to enforce any of the Senior Lender Security; or

- (c) the Subordinate Lender shall have commenced to enforce any of the Subordinate Lender Security.

4. The Subordinate Lender shall pay to the Senior Lender, forthwith after receipt thereof, all proceeds received by the Subordinate Lender upon any enforcement of or realization upon the Subordinate Lender Security to the extent of the indebtedness of the Debtor to the Senior Lender then outstanding.

5. Notwithstanding any term set out in any document establishing the Senior Lender Security or the Subordinate Lender Security, the Senior Lender hereby consents to the Debtor suffering to exist the security constituted by the Subordinate Lender Security and the Subordinate Lender hereby consents to the Debtor suffering to exist the security constituted by the Senior Lender Security.

6. The Subordinate Lender hereby consents to the inclusion of the Senior Lender as loss payee, as its interest may appear, on any insurance policy now or hereafter held by the Debtor and the Subordinate Lender hereby consents to the inclusion of the Senior Lender as loss payee, as its interest may appear, on any insurance policy now or hereafter held by the Debtor.

7. The Debtor agrees with the provisions hereof and further agrees with the Senior Lender and the Subordinate Lender and each of them that so long as the Senior Lender Security and the Subordinate Lender Security are outstanding and secure the indebtedness and other obligations of the Debtor to the Senior Lender and the Subordinate Lender respectively the Debtor will stand possessed of its assets thereby mortgaged, charged or assigned for the parties hereto in accordance with the priorities herein set out.

8. Any demand, notice or other communication in connection with this agreement shall be in writing and shall be personally delivered to an officer or other responsible employee of the addressee, mailed by registered mail or sent by facsimile or other direct written electronic means, charges prepaid, at or to the address or facsimile number of the party set out below its name on the cover page of this agreement. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a business day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of delivery. Any communication which is mailed as aforesaid shall be deemed to have been validly and effectively given on the fifth business day following the date of mailing, provided that, in the event of an interruption in postal service before such fifth business day, such communication shall be given by one of the other means. Any communication which is transmitted by facsimile or other direct written electronic means as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a business day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the business day next following such date of transmission.

9. Nothing herein contained shall be construed as entitling the Senior Lender or the Subordinate Lender to receive any proceeds of disposition of any of the property or assets of the Debtor in respect of which it does not have any security. If any third party shall have a valid

claim to proceeds of realization from any of the property or assets of the Debtor in priority to or on a parity with one of the parties hereto but not in priority to or on a parity with the other party, then this agreement shall not apply so as to diminish the rights (as such rights would have existed but for this agreement) of such other party against such third party to the proceeds of realization from such property or assets. Nothing contained in this agreement shall be construed as conferring any rights upon the Debtor, or upon any party not a party to this agreement.

10. From time to time each of the parties hereto, at the request of any other, shall execute and deliver such additional documents and other assurances as may be reasonably required effectually to carry out the intent of this agreement.

11. In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

12. This agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original.

13. This agreement and all documents delivered pursuant thereto shall be governed by and construed in accordance with the laws of the Province of Ontario.

14. This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The Subordinate Lender shall not assign or transfer any of its rights in or under the Subordinate Lender Security or the indebtedness secured thereby, except to a transferee who has previously agreed with the Senior Lender in writing to be bound by the provisions of this agreement.

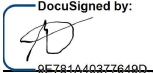
IN WITNESS WHEREOF this agreement has been executed by the parties hereto as of the date first above written.

CARE LENDING GROUP INC.

Per: _____
Name: Anna Cappadocia
Title: VP, Operations & Administration

Per: _____
Name:
Title:

COTTON MILL PHARMACY INC.

Per: 
Name: Andrew R. Hanna
Title: President

Per: _____
Name: _____
Title: _____

1000209217 ONTARIO LTD.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

COTTON MILL PHARMACY INC.

Per: _____

Name:

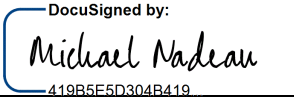
Title:

Per: _____

Name:

Title:

1000209217 ONTARIO LTD.

Per:  _____
419B5F5D304B419

Name: Michael Nadeau

Title: President

Per: _____

Name:

Title:

TAB K

This is Exhibit “K” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI



May 23, 2024

VIA MAIL and EMAIL

1000209217 Ontario Ltd.
107-703 Cotton Mill Street
Cornwall, Ontario
K6H 0E7

Mihi Health & Wellness Inc.
4500, 855-2nd Street SW
Calgary, Alberta
T2P 4K7

Paul Kevin Thomson
PO Box 364
Bragg Creek, Alberta
T0L 0K0

Dear Sirs:

Re: Fixed Rate Promissory Note – Variable Payments dated as of October 3, 2022 (the “Note”) between 1000209217 Ontario Ltd. (the “Borrower”) and Care Lending Group Inc. (the “Lender”) and guaranteed by Mihi Health & Wellness Inc. and Paul Kevin Thomson (the “Guarantor(s)”) pursuant to the guarantee(s) dated as of October 3, 2022 (the “Guarantee(s))”

As you are aware, the Borrower has failed to make the April 15, 2024, and May 15, 2024, payment of principal and interest in the amount of \$14,448.80 due to the Lender under the Note (the “Defaults”). As a result, an Event of Default has occurred under Section 3A of the Note.

In accordance with the terms of the Note and the Guarantee(s), the Lender is entitled to demand the immediate payment of any or all of the indebtedness owing by the Borrower to the Lender under the Note, and may take steps to enforce its security rights, including but not limited to the appointment of a receiver and commencement of legal action.

Pursuant to the Note, the Borrower is currently indebted to the Lender in the following amounts:

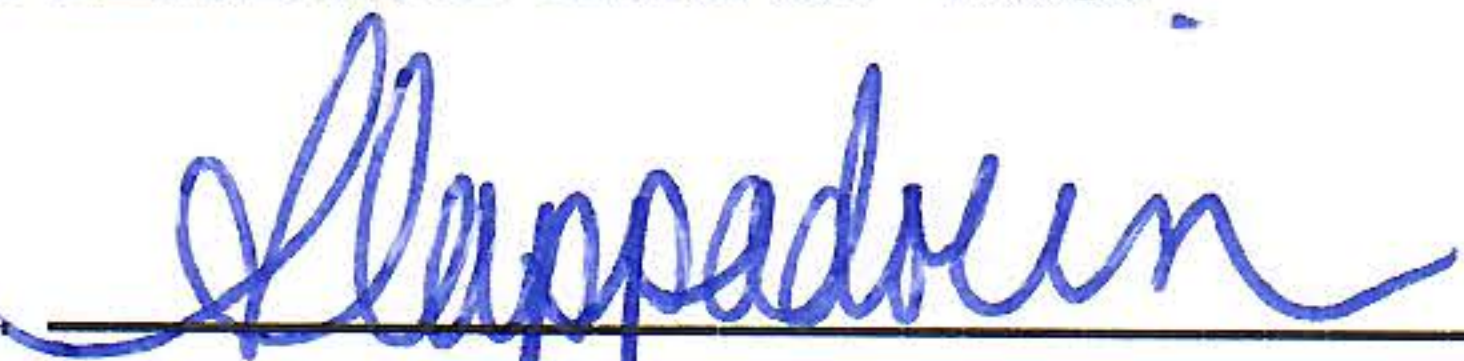
Unpaid Instalments from June 15, 2024, to October 15, 2027	\$654,607.48
Arrears – outstanding Instalment April 15 and May 15, 2024	\$ 14,448.80
Interest on unpaid interest for arrears	\$ 82.79
TOTAL as at May 23, 2024	\$669,139.07



By this notice, we are demanding the immediate payment of \$669,139.07, being the amount owing as of May 23, 2024, plus any additional charges, fees and costs that will accrue or be incurred to the date payment is received from you. Take notice that we reserve all of our rights to commence all such legal actions as may be warranted if payment in full of the above-noted amount is not received by us on or prior to June 2, 2024, and to exercise any and all rights under any security granted to the Lender pursuant to, or in connection with, the Note. We reserve our right to initiate such actions prior to such time in the event circumstances require same to protect our interests in the business of the Borrower or the assets of the Guarantor(s).

Please govern yourself accordingly.

CARE LENDING GROUP INC.

Per: 

Name: Anna Cappadocia

Title: VP, Operations & Administration



**REGISTERED
DOMESTIC**
CUSTOMER RECEIPT

**RECOMMANDÉ
RÉGIME INTÉRIEUR**
REÇU DU CLIENT



To **Destinataire**

Name **Nom**
Paul K Thomson

Address **Adresse**

City / Prov. / Postal Code **Ville / Prov. / Code postal**

Declared Value **Valeur déclarée** \$

FOR DELIVERY CONFIRMATION **CONFIRMATION DE LA LIVRAISON**
canadapost.ca **postescanada.ca**
or/ou
1 888 550-6333

CPC Tracking Number **Numéro de repérage de la SCP**
RN 823 937 596 CA

33-086-584 (17-12)

REGISTERED

Fragile and perishable articles are not indemnified against damage. Indemnity and fees information is available on request at your postal outlet.

Instructions

- 1) Complete any declared value on receipt, tear on perforated line, date stamp on reverse and give receipt to customer.
- 2) Remove label from backing (except area indicated) and apply the label to front of item adjacent to address.

Apply label here
Veuillez placer l'étiquette ici



RECOMMANDÉ

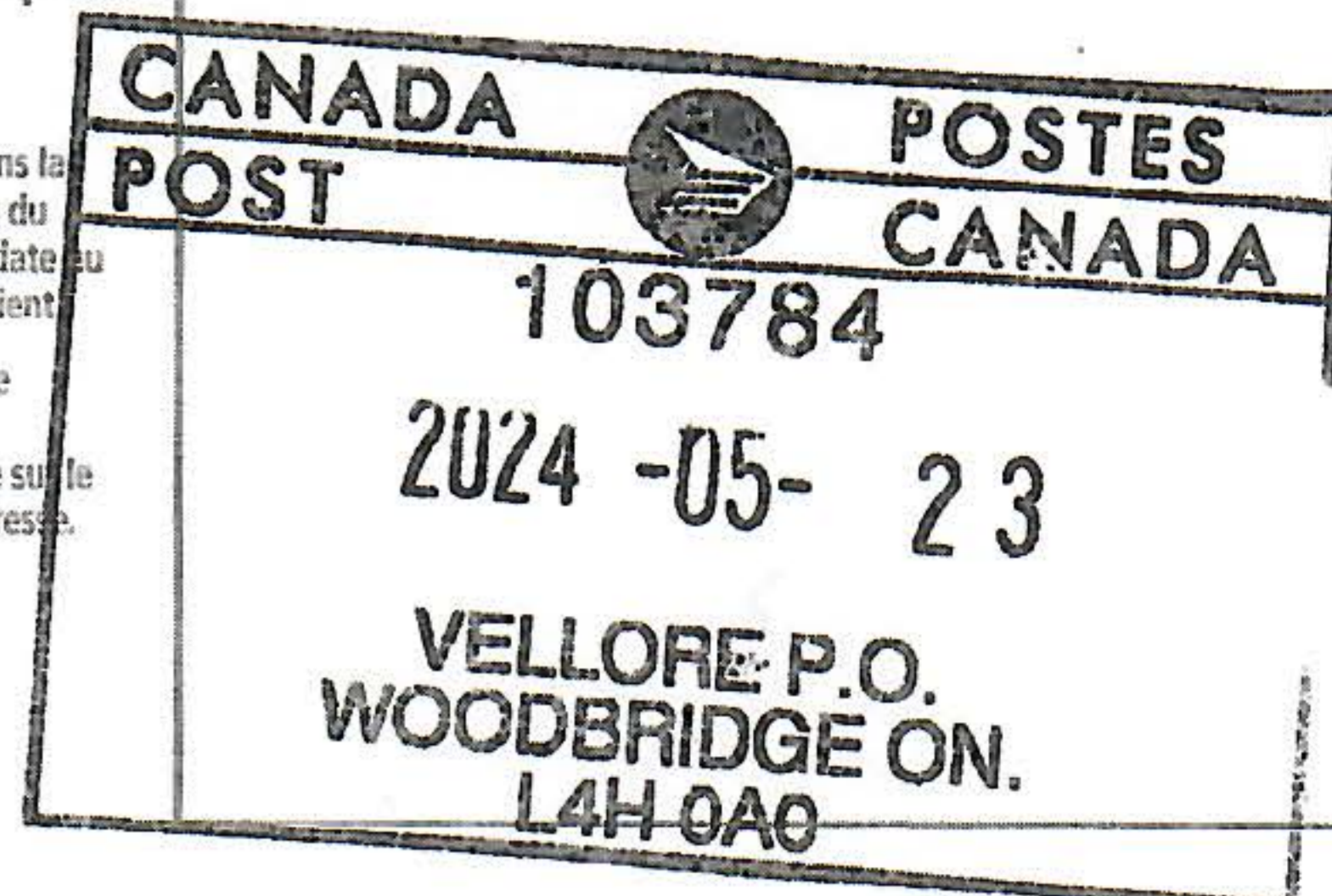
Aucune indemnité ne sera versée pour l'avarie d'un objet fragile ou périssable. Des renseignements sur les indemnités et les droits sont disponibles à votre comptoir postal.

Instructions

- 1) Indiquez la valeur déclarée dans la section Reçu, détachez le long du pointillé, apposez le timbre à date au verso et remettez le reçu au client.
- 2) Décollez la pellicule protectrice (sauf la région indiquée) de l'étiquette. Apposez l'étiquette sur le dessus de l'envoi, près de l'adresse.

ACCEPTING LOCATION

LIEU D'ACCEPTATION



**REGISTERED
DOMESTIC**
CUSTOMER RECEIPT

**RECOMMANDÉ
RÉGIME INTÉRIEUR**
REÇU DU CLIENT



To **Destinataire**

Name **Nom**
Mihi Beatty

Address **Adresse**

City / Prov. / Postal Code **Ville / Prov. / Code postal**

Declared Value **Valeur déclarée** \$

FOR DELIVERY CONFIRMATION **CONFIRMATION DE LA LIVRAISON**
canadapost.ca **postescanada.ca**
or/ou
1 888 550-6333

CPC Tracking Number **Numéro de repérage de la SCP**
RN 823 937 551 CA

33-086-584 (17-12)

REGISTERED

Fragile and perishable articles are not indemnified against damage. Indemnity and fees information is available on request at your postal outlet.

Instructions

- 1) Complete any declared value on receipt, tear on perforated line, date stamp on reverse and give receipt to customer.
- 2) Remove label from backing (except area indicated) and apply the label to front of item adjacent to address.

Apply label here
Veuillez placer l'étiquette ici



RECOMMANDÉ

Aucune indemnité ne sera versée pour l'avarie d'un objet fragile ou périssable. Des renseignements sur les indemnités et les droits sont disponibles à votre comptoir postal.

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ACCEPTING LOCATION

LIEU D'ACCEPTATION



**REGISTERED
DOMESTIC**
CUSTOMER RECEIPT

**RECOMMANDÉ
RÉGIME INTÉRIEUR**
REÇU DU CLIENT



To **Destinataire**

Name **Nom**
1000209217 Centerville

Address **Adresse**

City / Prov. / Postal Code **Ville / Prov. / Code postal**

Declared Value **Valeur déclarée** \$

FOR DELIVERY CONFIRMATION **CONFIRMATION DE LA LIVRAISON**
canadapost.ca **postescanada.ca**
or/ou
1 888 550-6333

CPC Tracking Number **Numéro de repérage de la SCP**
RN 823 937 786 CA

33-086-584 (17-12)

REGISTERED

Fragile and perishable articles are not indemnified against damage. Indemnity and fees information is available on request at your postal outlet.

Instructions

- 1) Complete any declared value on receipt, tear on perforated line, date stamp on reverse and give receipt to customer.
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Apply label here
Veuillez placer l'étiquette ici



RECOMMANDÉ

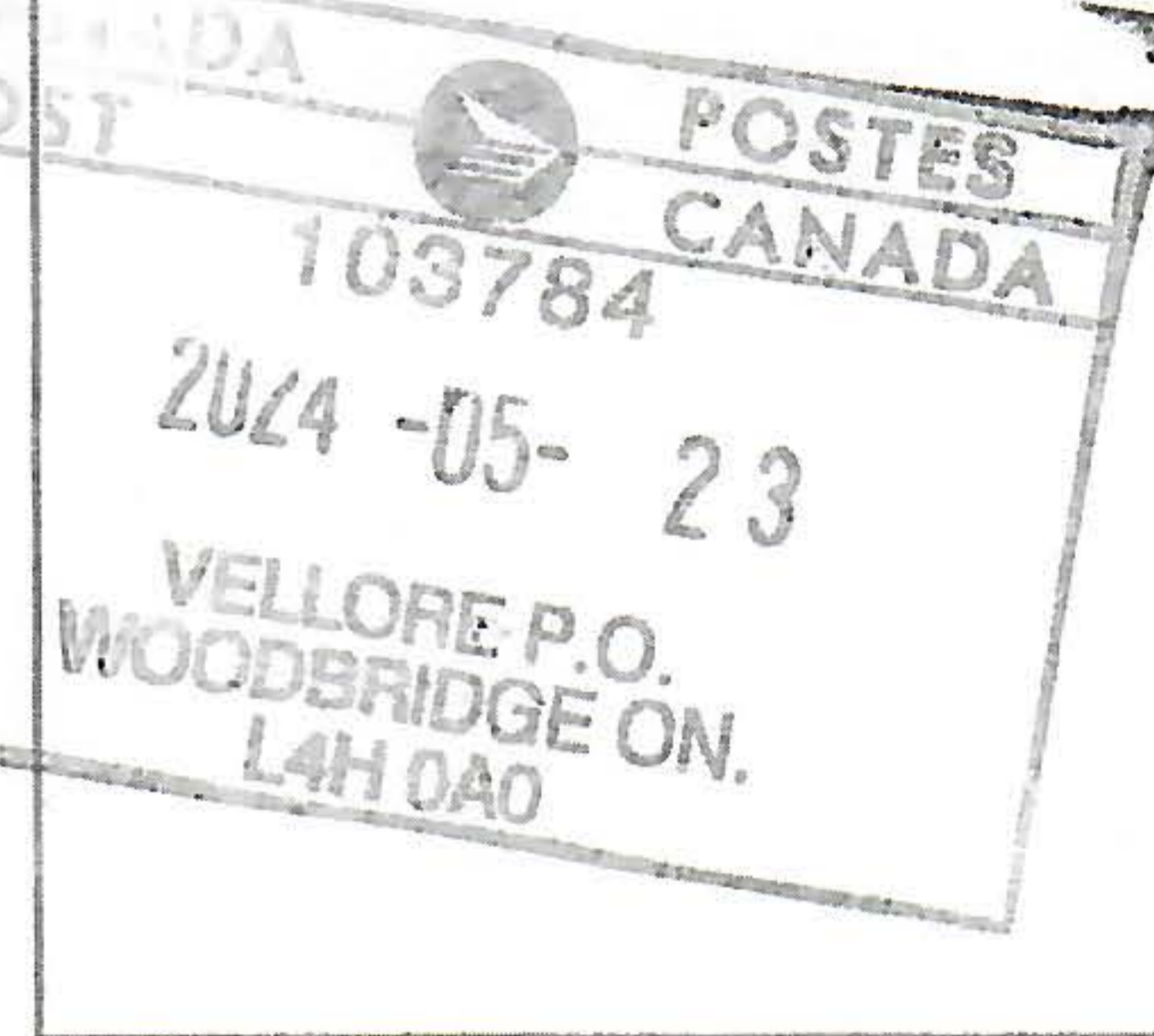
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- 2) Décollez la pellicule protectrice (sauf la région indiquée) de l'étiquette. Apposez l'étiquette sur le dessus de l'envoi, près de l'adresse.

ACCEPTING LOCATION

LIEU D'ACCEPTATION



T A B L E

This is Exhibit “L” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI



MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
P.O. BOX 1011
TORONTO, ON M5H 3S1
CANADA

T 416.595.8500
F 416.595.8695

MILLERTHOMSON.COM

May 29, 2024

Patrick Corney
Direct Line: +1 416.595.8555
pcorney@millerthomson.com

Sent via Courier

File No. 285053.0001

1000209217 Ontario Ltd.
107-703 Cotton Mill Street
Cornwall, Ontario
K6H OE7

Attn: Mike Nadeau, President

1000209217 Ontario Ltd.
150 York Street, Suite 1008
Toronto, Ontario
M5H 3S5

Attn: Mike Nadeau, President

Dear Sir:

Re: Demand for Payment of Indebtedness owed to Care Lending Group Inc. (the “Lender”)

We are the solicitors for the Lender. We write further to the Lender’s correspondence of May 23, 2024 (the “**Initial Demand**”), a copy of which is enclosed.

As you know, 1000209217 Ontario Ltd. (the “**Borrower**”) executed a promissory note dated as of October 3, 2022 (the “**Note**”) in favour of the Lender. The Borrower’s obligations to the Lender were secured by a general security agreement dated as of October 3, 2022 (the “**GSA**”). The Borrower’s obligations under the Note were guaranteed by Mihi Health & Wellness Inc. (“**Mihi**”) and by Paul Kevin Thomson (“**Thomson**” and collectively, the “**Guarantors**”).

As set out in the Initial Demand, the Borrower is in default of its obligations to the Lender.

As of May 28, 2024, the indebtedness owing by the Borrower is in the amount of \$669,156.28 (exclusive of interest, costs, fees and expenses until the date of repayment, the “**Indebtedness**”).

On behalf of the Lender, we hereby demand payment of the Indebtedness to the Lender by the Borrower on or before June 10, 2024 (the “**Payment Deadline**”), failing which the Lender will enforce its rights under the Note and GSA, including but not limited to immediately commencing legal proceedings, without further notice to you. If the Lender is required to take this step, it will also claim all accrued interest, costs, fees and expenses incurred by the Lender.

The Lender reserves its rights to exercise all other rights and remedies available under the Note and the GSA.

Enclosed herewith is a formal demand for payment and Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada).

Yours truly,

MILLER THOMSON LLP

Per:

A handwritten signature in blue ink that reads "patrick corney".

Patrick Corney
PC/CM

Enclosures



**NOTICE OF INTENTION TO ENFORCE SECURITY
(SUBSECTION 244(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*)**

TO: 1000209217 ONTARIO LTD. (the “Debtor”)
an Insolvent Person

TAKE NOTICE THAT:

1. **Care Lending Group Inc.** (the “Secured Creditor”) intends to enforce its security on the property of the insolvent person, being all of the present and after acquired personal property and undertakings of the Debtor, including without limitation Inventory, Equipment, Deposits and Credit Balances, Investment Property, Life Insurance, all intangible and intellectual property, and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.
2. The security that is to be enforced is further described in the following documents, each executed by the Debtor in favour of the Secured Party and collectively referred to herein as the “Security”:
 - (a) Fixed Rate Promissory Note dated October 3, 2022; and
 - (b) General Security Agreement dated October 3, 2022, registered under the *Personal Property Security Act* (Ontario) as Registration No. 20220914 1633 1793 8086.
3. The total amount of indebtedness secured by the Security as at the present time is CAD \$669,156.28, which amount is inclusive of principal, but exclusive of interest, fees and costs, and professional fees, all of which continue to accrue.
4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this Notice, unless the insolvent person consents to an earlier enforcement by executing the consent and waiver attached hereto as **Schedule “A”** and providing a copy of the same to the undersigned.

DATED at Toronto, Ontario this 29th day of May, 2024.

CARE LENDING GROUP INC., by its
lawyers,
Miller Thomson LLP



Patrick Corney
Telephone: 416.595.8555
pcorney@millerthomson.com

SCHEDULE "A"

**CONSENT TO AN EARLIER ENFORCEMENT
UNDER SECTION 244 OF THE *BANKRUPTCY AND INSOLVENCY ACT***

To: **CARE LENDING GROUP INC.**

TAKE NOTE THAT:

The undersigned hereby acknowledges receipt of a Notice of Intention to Enforce Security dated May 29, 2024 pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada) with respect to the assets of **1000209217 ONTARIO LTD.**, waives its right to the ten-day notice period to redeem the collateral, and consents to the immediate enforcement of the security held by Care Lending Group Inc.

Dated at _____, this ____ day of _____, 2024.

)
)
)
)
)
)
)
)

1000209217 ONTARIO LTD.

Per: _____

Name:

Title:

I have the authority to bind the corporation



May 23, 2024

VIA MAIL and EMAIL

1000209217 Ontario Ltd.
107-703 Cotton Mill Street
Cornwall, Ontario
K6H 0E7

Mihi Health & Wellness Inc.
4500, 855-2nd Street SW
Calgary, Alberta
T2P 4K7

Paul Kevin Thomson
PO Box 364
Bragg Creek, Alberta
T0L 0K0

Dear Sirs:

Re: Fixed Rate Promissory Note – Variable Payments dated as of October 3, 2022 (the “Note”) between 1000209217 Ontario Ltd. (the “Borrower”) and Care Lending Group Inc. (the “Lender”) and guaranteed by Mihi Health & Wellness Inc. and Paul Kevin Thomson (the “Guarantor(s)”) pursuant to the guarantee(s) dated as of October 3, 2022 (the “Guarantee(s))”

As you are aware, the Borrower has failed to make the April 15, 2024, and May 15, 2024, payment of principal and interest in the amount of \$14,448.80 due to the Lender under the Note (the “Defaults”). As a result, an Event of Default has occurred under Section 3A of the Note.

In accordance with the terms of the Note and the Guarantee(s), the Lender is entitled to demand the immediate payment of any or all of the indebtedness owing by the Borrower to the Lender under the Note, and may take steps to enforce its security rights, including but not limited to the appointment of a receiver and commencement of legal action.

Pursuant to the Note, the Borrower is currently indebted to the Lender in the following amounts:

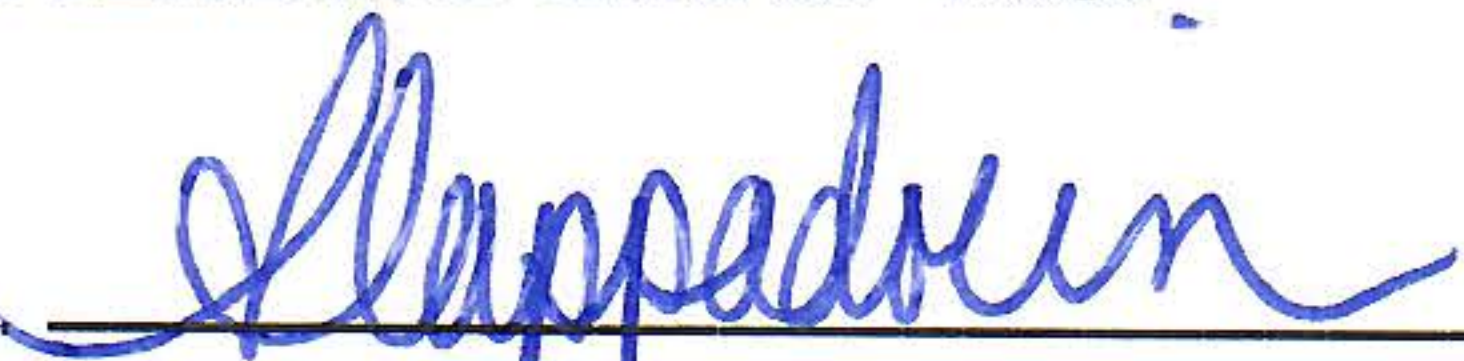
Unpaid Instalments from June 15, 2024, to October 15, 2027	\$654,607.48
Arrears – outstanding Instalment April 15 and May 15, 2024	\$ 14,448.80
Interest on unpaid interest for arrears	\$ 82.79
TOTAL as at May 23, 2024	\$669,139.07



By this notice, we are demanding the immediate payment of \$669,139.07, being the amount owing as of May 23, 2024, plus any additional charges, fees and costs that will accrue or be incurred to the date payment is received from you. Take notice that we reserve all of our rights to commence all such legal actions as may be warranted if payment in full of the above-noted amount is not received by us on or prior to June 2, 2024, and to exercise any and all rights under any security granted to the Lender pursuant to, or in connection with, the Note. We reserve our right to initiate such actions prior to such time in the event circumstances require same to protect our interests in the business of the Borrower or the assets of the Guarantor(s).

Please govern yourself accordingly.

CARE LENDING GROUP INC.

Per: 

Name: Anna Cappadocia

Title: VP, Operations & Administration

TAB M

This is Exhibit “M” referred to in the Affidavit of Dan Gilchrist sworn by Dan Gilchrist of the community of Georgetown, in the Regional Municipality of Halton, in the Province of Ontario, before me at the City of Toronto on June 12, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Matthew Cressatti

DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

----- Original Message -----

From: pharmacyapplications@ocpinfo.com

To: ptpharm@sympatico.ca

Sent: Tuesday, May 21st 2024, 06:33 AM

Subject: OCP - Pharmacy Temporary Closure: 309269

Hello,

Your email was received and confirms the following information:

Type: Pharmacy Temporary Closure

Pharmacy Name: Cotton Mill Pharmacy

Accreditation number: 309269

Pharmacy Address: 107-703 Cotton Mill St Cornwall, ON K6H 0E7

Effective Date: May 21, 2024

Please be advised the College will allow a temporary closure of 3 months. The pharmacy must reopen by **August 21st, 2024 or permanently close.**

Section [13 \(2\) of the Drug and Pharmacies Regulation Act](#) states “A certificate of accreditation shall be deemed to have expired if there is a permanent closure of or discontinuance of service at the pharmacy.”

Prior to your pharmacy’s temporary closure, you must also ensure the following:

- All patients with prescriptions prepared and awaiting pick up are contacted, advised of the closure, and given the opportunity to obtain their prepared prescriptions.
- Notices to the public should include details of the closure, location of alternative pharmacies, emergency contact number (if available), and any other information to assist with obtaining access to patient records and continuity of care. Examples of notification methods:
 - Posted signs in and around the pharmacy
 - Outgoing voicemail message
 - Websites and social media, if applicable
 - Local media
 - Posted notices at doctor’s offices or clinics
 - Road signs
- Inventory must be secured and remains the DM’s responsibility.
- Patient records must be secured and remain the DM’s responsibility. The DM should also be aware of their responsibilities as a Health Information Custodian under the *Personal Health Information and Protection Act* and may be referred to a Practice Consultant for guidance.

Once the pharmacy has reopened you must notify the College so the file can be updated.

If the pharmacy will be [permanently closing](#), it is your responsibility to notify the College. A notice of intent or a complete [Pharmacy Closing Statement](#) must be submitted to Pharmacy Applications & Renewals at least **7 days** prior to the permanently closing of a pharmacy. Notice may be submitted by email to pharmacyapplications@ocpinfo.com, faxed to 416-847-8399 or mailed to the attention of Pharmacy Applications & Renewals at 483 Huron St, Toronto, ON M5R 2R4.

Best Regards,



Kim Pyke
Pronouns: She/Her
Pharmacy Applications & Renewals
416-962-4861, ext. 3600
kpyke@ocpinfo.com
www.ocpinfo.com

See our new [Service Charter](#) – our promise to you.



[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

CARE LENDING GROUP INC.
Applicant

AND

1000209217 ONTARIO LTD.
Respondent

Court File No.: CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

AFFIDAVIT OF DAN GILCHRIST
(Sworn June 12, 2024)

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Patrick Corney LSO#: 65462N
Tel: 416.595.8555
pcorney@millerthomson.com

Matthew Cressatti LSO#: 77944T
Tel: 416.595.7938
mcressatti@millerthomson.com

Lawyers for the Applicant

TAB 3

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) FRIDAY, THE 21ST
)
JUSTICE) DAY OF JUNE, 2024
)

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the applicant Care Lending Group Inc. (“**Care Lending**”) 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. (“**Spergel**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 1000209217 Ontario Ltd. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day via Zoom videoconference.

ON READING the affidavit of Dan Gilchrist sworn June 12, 2024 and the exhibits thereto and on hearing the submissions of counsel for Care Lending, and on reading the consent of the Debtor, filed, and no other person appearing although duly served as appears from the affidavit of service of Kim Sellers sworn June 18, 2024 and on reading the consent of Spergel to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel 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 pharmacists, 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, and, if necessary, to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;
- (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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

- (l) 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, provided that the aggregate consideration for all such transactions does not exceed \$250,000 and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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;
- (q) 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;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client/patient records and prescription information (“**Patient Records**”) billing privileges, 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, subject to Paragraph 6A herein, 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.

5A. **THIS COURT ORDERS** that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtor, such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the order so obtained.

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.

6A. **THIS COURT ORDERS** that with respect to the Patient Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Patient Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the “**Custodian**”) for the Patient Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Patient Records; and (iv) allow the Debtor supervised access to the Patient Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991*, or any other governing

Ontario or Canadian statute that requires the Debtor, from time to time, to perform certain obligations.

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 claims processing services, computer software, communication and other data services, centralized banking services, payment processing 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.

16. **THIS COURT ORDERS** that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* ("**PHIPA**"), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtor (the "**Pharmacy**") as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order

indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information. Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **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

18. **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

19. **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.

20. **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.

21. **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

22. **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 (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.

23. **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.

24. **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.

25. **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

26. **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 <https://www.spergelcorporate.ca/engagements>.

27. **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.

RETENTION OF LAWYERS

28. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order. The Receiver is specifically authorized and permitted to use Miller Thomson LLP, solicitors for the Applicant herein, as its own counsel in respect of any matter where there is no conflict of interest. In respect of any legal advice or issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

GENERAL

29. **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.

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

31. **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.

32. **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.

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

34. **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.

35. **THIS COURT ORDERS** that this Order and is effective as of the date hereof and is enforceable without the need to entry and filing.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties 1000209217 Ontario Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the ____ day of _____, 2024 (the "**Order**") made in an action having Court file number _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Newmarket, 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 _____, 2024.

Msi Spergel Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC.
Applicant

AND

1000209217 ONTARIO LTD.
Respondent

Court File No. CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at
Cornwall

RECEIVERSHIP ORDER

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Lawyers for the Applicant

TAB 4

Court File No. — CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) ~~WEEKDAY~~FRIDAY, THE #21ST
JUSTICE) DAY OF ~~MONTH~~JUNE, ~~20YR~~2024

PLAINTIFF¹

Plaintiff

CARE LENDING GROUP INC.

Applicant

- and -

DEFENDANT

Defendant

1000209217 ONTARIO LTD.

Respondent

ORDER
(appointing Receiver)

THIS ~~MOTION~~APPLICATION made by the **Plaintiff²applicant Care Lending Group Inc. (“Care Lending”)** for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency*

¹~~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.~~

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

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. ("Spergel") as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1000209217 Ontario Ltd. (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~~ via Zoom videoconference.

ON READING the affidavit of Dan Gilchrist sworn June 12, 2024 and the ~~Exhibits~~ exhibits thereto and on hearing the submissions of counsel for Care Lending, and on reading the consent of the Debtor, filed, and no ~~one~~ other person appearing ~~for~~ [NAME] Kim Sellers although duly served as appears from the affidavit of service of Kim Sellers sworn June 18, 2024 and on reading the consent of ~~[RECEIVER'S NAME]~~ Spergel to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~ Spergel 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").

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 [pharmacists](#), 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, and, if necessary, to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;

- (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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;
- (l) ~~(k)~~ to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

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.~~

- (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~50,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~;250,000 and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (m) ~~(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;
- (n) ~~(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;
- (o) ~~(n)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) ~~(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;

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.~~

(q) ~~(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;

(r) ~~(q)~~ to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(s) ~~(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, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client/patient records and prescription information ("Patient Records") billing privileges, 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, subject to Paragraph 6A herein, 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.

5A. THIS COURT ORDERS that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtor, such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the order so obtained.

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.

6A. THIS COURT ORDERS that with respect to the Patient Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the

Patient Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the “Custodian”) for the Patient Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Patient Records; and (iv) allow the Debtor supervised access to the Patient Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991*, or any other governing Ontario or Canadian statute that requires the Debtor, from time to time, to perform certain obligations.

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 claims processing services, computer software, communication and other data services, centralized banking services, payment processing 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.

16. **THIS COURT ORDERS** that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* (“**PHIPA**”), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtor (the “**Pharmacy**”) as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information. Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. ~~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

18. ~~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

19. ~~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

20. ~~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.

⁶ ~~Note 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".~~

21. ~~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

22. ~~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 (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.

23. ~~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.

24. ~~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.

25. ~~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

26. ~~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 ~~@~~ <https://www.spergelcorporate.ca/engagements>.

27. ~~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.

RETENTION OF LAWYERS

28. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver’s powers and duties, including, without limitation, those conferred by this Order. The Receiver is specifically authorized and permitted to use Miller Thomson LLP, solicitors for the Applicant herein, as its own counsel in respect of any matter where there is no conflict of interest. In respect of any legal advice or issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

GENERAL

29. ~~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.

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

31. ~~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.

32. ~~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.

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

34. ~~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.

35. THIS COURT ORDERS that this Order and is effective as of the date hereof and is enforceable without the need to entry and filing.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ msi Spergel Inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ 1000209217 Ontario Ltd. (the "Debtor") 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—2024 (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~~ Newmarket, 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~~2024.

~~[RECEIVER'S NAME]~~ Msi Spergel Inc.,
solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC.

Applicant

AND

1000209217 ONTARIO LTD.

Respondent

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
Cornwall

RECEIVERSHIP ORDER

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Lawyers for the Applicant

Document comparison by Workshare Compare on Tuesday, June 18, 2024 9:17:34 AM

Input:	
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Description	#77513192v1<Legal> - Model Order
Document 2 ID	iManage://MTDMSWSSC.MILLERTHOMSON.CORP/Legal/77512044/5
Description	#77512044v5<Legal> - Draft Receivership Order (June 17, 2024)
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	169
Deletions	161
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	330

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

CONSENT TO ACT AS RECEIVER

msi Spergel inc. hereby consents to act as the court appointed receiver of the property, assets and undertakings of 1000209217 Ontario Ltd. (the “**Debtor**”), in connection with an order substantially in the form attached hereto as **Schedule “A”**.

DATED at Toronto, Ontario on June 14, 2024

msi Spergel inc.

Philip H. Gennis

Name: Philip Gennis, JD, CIRP, LIT
Title: Licensed Insolvency Trustee

CARE LENDING GROUP INC.
Applicant

1000209217 ONTARIO LTD.
Respondent

AND

Court File No.: CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at
Cornwall

CONSENT TO ACT AS RECEIVER

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Lawyers for the Applicant

TAB 6

Court File No. CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

CARE LENDING GROUP INC.

Applicant

and

1000209217 ONTARIO LTD.

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

CONSENT

The parties consent to the Order in the form attached hereto as Schedule “A” and certify that none of the parties affected by the Order are under a disability.

DATED this 17th day of June, 2024

MILLER THOMSON LLP

Per:

DocuSigned by:

Matthew Cressatti

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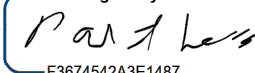
Matthew Cressatti

Lawyers for the Plaintiff

-2-

DATED this 17th day of June, 2024

1000209217 ONTARIO LTD.

DocuSigned by:

E3674542A3E1487

Name: Paul Thomson

Title: Director

I have authority to bind the Corporation

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) FRIDAY, THE 21ST
)
JUSTICE) DAY OF JUNE, 2024
)

CARE LENDING GROUP INC.

Applicant

- and -

1000209217 ONTARIO LTD.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by the applicant Care Lending Group Inc. (“**Care Lending**”) 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. (“**Spergel**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 1000209217 Ontario Ltd. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day via Zoom videoconference.

ON READING the affidavit of Dan Gilchrist sworn June 12, 2024 and the exhibits thereto and on hearing the submissions of counsel for Care Lending, and on reading the consent of the Debtor, filed, and no other person appearing although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of Spergel to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel 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 pharmacists, 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, and, if necessary, to deposit such monies in a separate bank account controlled by the Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtors;
- (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 summarily dispose of Property that is perishable or likely to depreciate rapidly in value;

- (l) 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, provided that the aggregate consideration for all such transactions does not exceed \$250,000 and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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;
- (q) 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;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) 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, including, but not limited to the Ontario College of Pharmacists, the Ministry of Health and Long-Term Care, the Ontario Drug Benefit Program and any insurance company (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 client/patient records and prescription information (“**Patient Records**”) billing privileges, 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, subject to Paragraph 6A herein, 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.

5A. **THIS COURT ORDERS** that, should the Receiver deem it necessary to seek from any insurance company or its pharmacy benefits manager personal information regarding persons covered pursuant to benefit plans which might have had claims under such plans relating to the Debtor, such information shall be sought pursuant to a motion on notice to the insurance company and its pharmacy benefits manager. Such information shall only be released by the insurance company or its pharmacy benefits manager on the agreement of such insurance company or as provided in the order so obtained.

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.

6A. **THIS COURT ORDERS** that with respect to the Patient Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Patient Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the "**Custodian**") for the Patient Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Patient Records; and (iv) allow the Debtor supervised access to the Patient Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991*, or any other governing

Ontario or Canadian statute that requires the Debtor, from time to time, to perform certain obligations.

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 claims processing services, computer software, communication and other data services, centralized banking services, payment processing 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.

16. **THIS COURT ORDERS** that, pursuant to section 42 of the Ontario *Personal Health Information Protection Act* ("**PHIPA**"), the Receiver shall only disclose personal health information to prospective purchasers or bidders who are potential successor(s) to the pharmacy business of the Debtor (the "**Pharmacy**") as Health Information Custodian(s) (as defined in the PHIPA) for the purposes of allowing the potential successor to assess and evaluate the operations of the Pharmacy. Each potential successor to whom such personal health information is disclosed is required in advance of such disclosure to review and sign an acknowledgement of this Order

indicating that it agrees to keep the information confidential and secure and not to retain any of the information longer than is necessary for the purposes of the assessment or evaluation, and if such potential successor does not complete a Sale, such potential successor shall return all such information to the Receiver, or in the alternative shall destroy all such information. Such acknowledgement shall be deemed to be an agreement between the Receiver and the potential successor for the purposes of section 42 of PHIPA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **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

18. **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

19. **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.

20. **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.

21. **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

22. **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 (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.

23. **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.

24. **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.

25. **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

26. **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 <https://www.spergelcorporate.ca/engagements>.

27. **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.

RETENTION OF LAWYERS

28. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order. The Receiver is specifically authorized and permitted to use Miller Thomson LLP, solicitors for the Applicant herein, as its own counsel in respect of any matter where there is no conflict of interest. In respect of any legal advice or issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

GENERAL

29. **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.

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

31. **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.

32. **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.

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

34. **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.

35. **THIS COURT ORDERS** that this Order and is effective as of the date hereof and is enforceable without the need to entry and filing.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties 1000209217 Ontario Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the ___ day of _____, 2024 (the "**Order**") made in an action having Court file number _____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Newmarket, 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 _____, 2024.

Msi Spergel Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

CARE LENDING GROUP INC.
Applicant

AND

1000209217 ONTARIO LTD.
Respondent

Court File No.: CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at
Cornwall

RECEIVERSHIP ORDER

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Lawyers for the Applicant

CARE LENDING GROUP INC.
Applicant

1000209217 ONTARIO LTD.
AND Respondent

Court File No. CV-24-00000103-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at
Cornwall

CONSENT

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Lawyers for the Applicant

CARE LENDING GROUP INC.
Applicant

AND

1000209217 ONTARIO LTD.
Respondent

Court File No. CV-24-00000103-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding Commenced at
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APPLICATION RECORD

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