

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Respondents

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

**APPLICATION RECORD
(appointing receiver)
(returnable January 14, 2025)**

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TO: SERVICE LIST

SERVICE LIST

- TO: STAR TOWERS LTD.**
8310 Ninth Line
Norval ON L0P 1K0

Respondent
- AND TO: 2141239 ONTARIO INC.**
201 Millway Avenue, 2nd Floor
Vaughan ON L4K 5K8

Respondent
- AND TO: HAROON RASHID**
5337 Hilton Court
Mississauga ON L5M 5H1

Respondent
- AND TO: 1553357 ONTARIO INC.**
9-6980 Maritz Drive
Mississauga, ON L5W 1Z3
- AND TO: CANADA REVENUE AGENCY**
c/o Department of Justice
Ontario Regional Office
120 Adelaide Street West, Suite 400
Toronto, ON M5H 1T1
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- AND TO: MINISTRY OF FINANCE**
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Oshawa, ON L1H 8H5
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**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

and

STAR TOWERS LTD., 2141239 ONTARIO INC., and
HAROON RASHID

Respondents



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

NOTICE OF APPLICATION

TO THE RESPONDENTS:

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

THIS APPLICATION will come on for a hearing (*choose one of the following*)

- In person
- By telephone conference
- By video conference

at the following location:

55 Main St. E., Hamilton, Ontario, L8P 1H4 on Tuesday, January 14, 2025, at 10:00 a.m.

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

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

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

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

Date November 28 2024 Issued by Ana Slat Digitally signed by Ana Slat
Date: 2024.11.28 11:40:58
-05'00'
Local Registrar

Address of 55 Main St. E.
court office: Hamilton, ON L8P 1H4

TO: Star Towers Ltd.
8310 Ninth Line
Norval ON L0P 1K0

AND TO: 2141239 Ontario Inc.
201 Millway Avenue, 2nd Floor
Vaughan ON L4K 5K8

AND TO: Haroon Rashid
5337 Hilton Court
Mississauga ON L5M 5H1

APPLICATION

1. THE APPLICANT Royal Bank of Canada ("**RBC**") makes application for:
 - (a) if necessary, an order abridging the time for service and filing of this notice of application and the application record, validating service that has been effected to date, and an order dispensing with further service thereof on any party other than the persons served;
 - (b) an order appointing msi Spergel inc. as receiver (in such capacities, the "**Receiver**"), without security of all the assets, undertakings, and properties of the respondents Star Towers Ltd. ("**Star**") and 2141239 Ontario Inc. ("**214**", and with Star are collectively the "**Corporations**");
 - (c) an appointment of the Receiver over the following real property (collectively, the "**Collateral Properties**") municipally described as (and as further described in **Schedule "A"** to this application):
 - (i) 387-391 St. Paul Street, St. Catharines, Ontario (the "**Paul Property**"); and
 - (ii) 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario (the "**Division Property**");
 - (d) judgment in the amount of \$1,509,417.95 as against Haroon Rashid ("**Haroon**") representing amounts due and owing to the applicant pursuant to the Guarantees as at November 19, 2024 (as hereinafter defined);
 - (e) costs in accordance with the terms of the Credit Agreement, the Security, and/or the Guarantees (as these terms are hereinafter defined), as applicable, or in the alternative, in accordance with the *Courts of Justice Act* R.S.O. 1990, c. C.43, as amended (the "**CJA**"); and,
 - (f) such further and other relief as this Honourable Court may seem just.

2. THE GROUNDS FOR THE APPLICATION ARE:

The Parties:

- (a) the applicant, RBC, is a Canadian multinational financial services company headquartered in Toronto, Ontario. As part of its services, RBC provides a variety of financial products to its customers, including, but not limited to, loans and credit facilities to individuals and corporations;
- (b) Star is a corporation that at all material times was duly incorporated and existing pursuant to the laws of Ontario with its registered office address in the Town of Norval;
- (c) 214 is a corporation that at all material times was duly incorporated and existing pursuant to the laws of Ontario with its registered office address in the City of Vaughan;
- (d) Haroon is an individual that resides in the Town of Georgetown and is a principal of the Corporations;

Credit Facilities Granted:

The Star Credit Agreement

- (e) pursuant to a credit agreement most recently dated January 6, 2023 (as same may have been amended, replaced, restated, or supplemented from time to time, the “**Star Credit Agreement**”), RBC granted certain credit facilities to Star (collectively, the “**Star Credit Facilities**”);
- (f) the Star Credit Facilities include:
 - (i) a revolving demand overdraft facility in the amount of \$5,000.00, with an interest rate of the Royal Bank’s Prime Rate (“**RBP**”) plus 5%, per annum;

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- (ii) a non-revolving term loan in the amount of \$678,097.36, with an interest rate of RBP plus 4.08%, per annum (the “**First Star Term Facility**”);
 - (iii) a non-revolving term loan in the amount of \$530,618.74, with an interest rate of 2.8% per annum (the “**Second Star Term Facility**”, and with the First Star Term Facility are collectively the “**Term Facilities**”); and
 - (iv) business credit card facilities in the amount of \$20,000.00, with an interest rate of 19.99% per annum.
- (g) as security for the Star Credit Facilities, the applicant obtained (collectively, the “**Star Security**”):
- (i) a general security agreement (“**GSA**”) from Star dated January 23, 2019, constituting security over all of Star’s present, future, and after acquired property, assets, and undertaking;
 - (ii) a site-specific security agreement dated February 14, 2019;
 - (iii) a \$775,000.00 collateral mortgage registered on title to the Division Property on February 22, 2019, as instrument number SN581199;
 - (iv) a \$562,500.00 collateral mortgage registered on title to the Paul Property, on November 2, 2020, as instrument number NR556534; and
 - (v) assignments of rent registered on title to the Collateral Properties.

The 214 Credit Agreement

- (h) pursuant to a credit agreement most recently dated April 28, 2021 (as same may have been amended, replaced, restated, or supplemented from

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time to time, the “**214 Credit Agreement**”, and together with the Star Credit Agreement are collectively the “**Credit Agreements**”), RBC granted certain credit facilities to 214 (collectively, the “**214 Credit Facilities**”, and together with the Star Credit Facilities are collectively the “**Credit Facilities**”). The 214 Credit Facilities include:

- (i) a revolving demand facility in the amount of \$150,000.00, with an interest rate of RBP plus 5%, per annum; and
 - (ii) business credit card facilities in the amount of \$50,000.00, with an interest rate of 19.99% per annum.
- (i) as security for the 214 Credit Facilities, 214 provided a GSA dated July 29, 2019, constituting security over all of 214’s present, future, and after acquired property, assets, and undertaking (the “**214 Security**”, and collectively with the Star Security is the “**Security**”);

The Guarantees

- (j) Star and Haroon provided guarantees as follows, which are in addition to and not in substitution of each other (collectively, the “**Guarantees**”):
- (i) with respect to the Star Credit Facilities:
 - (A) a guarantee from Haroon limited to \$775,000.00 dated January 23, 2019;
 - (B) a guarantee from Haroon for the amounts owing under the collateral mortgage on the Division Property dated February 14, 2019; and
 - (C) a guarantee from Haroon limited to \$562,500.00 specifically for the Second Star Term Facility dated October 23, 2020;

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- (ii) with respect to the 214 Credit Facilities:
 - (A) a guarantee from Star limited to \$200,000.00 dated April 29, 2021; and
 - (B) a guarantee from Haroon in the amount of \$200,000.00 dated April 29, 2021.
- (k) the Guarantees provided by Star and Haroon guarantee the present and future debts of Star and 214 to the extents and amounts outlined above, together with interest at a rate of RBP plus 5%, per annum;
- (l) the Credit Agreements provide that certain of the Credit Facilities can become due upon demand, or in the event of default. In the event of a default, RBC, at its discretion, can cancel the Credit Facilities and demand immediate repayment in full of any amounts outstanding together with accrued interest;
- (m) further, the respondents are to indemnify RBC for all fees, including legal fees, cost, and expenses, at their standard rates, incurred by RBC in the enforcement or protection of its rights related to the Security;

Demand Made:

- (n) during the term of the Credit Agreements both monetary and non-monetary defaults occurred. The First Star Term Facility matured on February 22, 2024, and the Second Star Term Facility matured on October 29, 2023. Despite maturity, the Term Facilities were not repaid;
- (o) on or about May 17, 2024, RBC issued demands for payment of the indebtedness due and owing under the Credit Facilities, together with accruing interest and any and all costs and expenses incurred by RBC

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from the respondents in accordance with the Credit Agreements and Guarantees (the “**Demands**”);

- (p) further, RBC issued to the respondents (including Star in its capacity as guarantor) notices of intention to enforce security pursuant to section 244(1) (the “**244 Notices**”) of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3 as amended (the “**BIA**”);
- (q) the Demands and the 244 Notices expired and, despite demand, the indebtedness remained unpaid;
- (r) on June 7, 2024, RBC issued notices of sale with respect to the Collateral Properties (the “**Notices of Sale**”). The Notices of Sale have expired, and RBC is entitled to possession of the Collateral Properties pursuant to the terms of the Security and the *Mortgages Act*, R.S.O. 1990, c. M.40;

The Forbearance Agreement:

- (s) the respondents advised that they intended to sell the Collateral Properties in order to repay the amounts owing to RBC;
- (t) on or about July 15, 2024, RBC and the respondents entered into a forbearance agreement (the “**Forbearance Agreement**”), whereby RBC agreed to forbear its enforcement rights under the Credit Agreements, Security and Notices of Sale;
- (u) pursuant to the Forbearance Agreement, the Debtors and/or Guarantors covenanted to, among other things:
 - (i) permit the registration of new collateral mortgages against the Collateral Properties in the amount of \$200,000.00;

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- (ii) provide updates to RBC on the sale of the Collateral Properties and any related documentation on the first business day of each month during the forbearance period; and,
- (iii) repay the Credit Facilities on or before October 1, 2024 (the "**Designated Date**");
- (v) as part of the Forbearance Agreement, the respondents provided consents to judgment, a receivership order, and a bankruptcy order as against them (collectively, the "**Consents**"). The Consents were held in escrow, to be released in the event of default, or failure to repay the indebtedness by the Designated Date;

Default occurs under the Forbearance Agreement

- (w) the respondents failed to repay the Credit Facilities on or before the Designated Date;
- (x) due to the defaults of the Forbearance Agreement, and the failure to repay by the Designated Date, RBC is now entitled to rely on the Consents and seek to enforcement payment of the indebtedness;
- (y) as of November 19, 2024, \$1,554,238.16 remains due and owing under the Credit Facilities, together with interest and costs which continue to accrue;

General:

- (z) in the circumstances, RBC wishes to take any and all steps necessary to preserve and protect the Security and realize on same;
- (aa) RBC has, at all times, acted in good faith towards the respondents;

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- (bb) it is just and equitable that a receiver now be appointed over the Corporations;
- (cc) the appointment of a Receiver is provided for in the Security;
- (dd) the respondents have consented to the appointment of a receiver;
- (ee) RBC proposes that msi Spergel inc. be appointed as receiver of the Debtors. msi Spergel inc. is a licensed trustee in bankruptcy and has consented to act as court-appointed receiver with respect to the Corporations;
- (ff) as a term of the Forbearance Agreement, Haroon consented to judgment for the amounts due and owing under the terms of the Guarantees. RBC seeks judgment in the amount of \$1,509,417.95 as at November 19, 2024, pursuant to the terms of the Guarantees and the Consents;
- (gg) subsection 243(1) of the BIA;
- (hh) section 101 of the CJA;
- (ii) Rules 1.04, 2.03, 3.02; 14.05; 16.04 and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- (jj) such further and other relief as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) the affidavit of Jerry Tsao sworn November 20, 2024, and the exhibits attached thereto;
- (b) the consent of msi Spergel inc. to act as Receiver; and

- (c) such further and other evidence as counsel may advise and this Honourable Court may permit.

November 21, 2024

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Toronto, ON M5V 3M2

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Lawyers for the Applicant

SCHEDULE "A"

Paul Property

LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PIN 46219-0085

Being municipally known as 387-391 St. Paul St., St. Catharines, Ontario

Division Property

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PIN 64107-0189

Being municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario

ROYAL BANK OF CANADA

and

STAR TOWERS LTD. et al.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at **HAMILTON**

NOTICE OF APPLICATION

LERNERS LLP

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Lawyers for the Applicant

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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

AFFIDAVIT

I, Jerry Tsao, of the City of Toronto, Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Manager in the Special Loans and Advisory Services Department (“**SLAS**”) at Royal Bank of Canada (“**RBC**”). I have responsibility for matters pertaining to the borrowings of Star Towers Ltd. (“**Star**”) and 2141239 Ontario Inc. (“**214**” and collectively with Star are the “**Corporations**”) and as such have personal knowledge of the matters to which I depose herein. Where this affidavit is based upon information received from others, I verily believe such information to be true.
2. I am making this affidavit in support of an application by RBC for the appointment of msi Spergel inc. as receiver (in such capacities, the “**Receiver**”) over all of the assets, undertakings, and properties of the Corporations.

3. RBC also seeks judgment against Haroon Rashid (“**Haroon**”) pursuant to his guarantees of the obligations of the Corporations. RBC has commenced a claim (court file number CV-24-00003530-0000) against the respondents for amounts owing under the Credit facilities (as hereinafter defined). The judgment is sought pursuant to consents to judgment provided by the respondents to RBC. Haroon guaranteed the Corporations’ outstanding obligations to RBC pursuant to the Guarantees (as defined below).

The Parties

4. RBC is a Canadian multinational financial services company headquartered in Toronto, Ontario. As part of its services, RBC provides a variety of financial products to its customers. Such products include, but are not limited to, loans and credit facilities to individuals and corporations.

5. Star is a corporation that at all material times was duly incorporated and existing pursuant to the laws of Ontario, with its registered office address in the Town of Norval. A copy of Star’s corporate profile report is attached hereto and marked as **Exhibit “A”**.

6. 214 is a corporation that at all material times was duly incorporated and existing pursuant to the laws of Ontario, with its registered office address in the City of Vaughan. A copy of 214’s corporate profile report is attached hereto and marked as **Exhibit “B”**.

7. Haroon is an individual that resides in the Town of Georgetown and is a principal of the Corporations.

8. Star’s primary assets appear to be certain real properties municipally known as (collectively, the “**Collateral Properties**”):

- (a) 387-391 St. Paul Street, St. Catharines, Ontario (the “**Paul Property**”); and
- (b) 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario (the “**Division Property**”);

The Collateral Properties appear to be under development. A copy of the parcel registers for the Collateral Properties, current to November 4, 2024, are attached hereto and marked as **Exhibits “C”** and **“D”**, respectively.

RBC Credit Facilities and Security

A) Star Credit Agreement

9. Pursuant to a credit agreement most recently dated January 16, 2023 (as same may have been amended, replaced, restated or supplemented from time to time, the “**Star Credit Agreement**”), RBC granted certain credit facilities to Star (the “**Star Credit Facilities**”). A copy of the Star Credit Agreement is attached hereto and marked as **Exhibit “E”**.

10. As detailed in the Star Credit Agreement, the Star Credit Facilities include:

- (a) a revolving demand overdraft facility in the amount of \$5,000.00, with an interest rate of the Royal Bank’s Prime Rate (“**RBP**”) plus 5%, per annum;
- (b) a non-revolving term loan in the amount of \$678,097.36, with an interest rate of RBP plus 4.08%, per annum (the “**First Star Term Facility**”);

- (c) a non-revolving term loan in the amount of \$530,618.74, with an interest rate of 2.8% per annum (the “**Second Star Term Facility**”, and together with the First Star Term Facility are the “**Term Facilities**”); and
- (d) business credit card facilities in the amount of \$20,000.00, with an interest rate of 19.99% per annum.

11. As security for the Star Credit Facilities, RBC obtained (collectively, the “**Star Security**”):

- (a) a general security agreement (the “**Star GSA**”) from Star dated January 23, 2019, constituting security over all of Star’s present, future, and after acquired property, assets, and undertaking;
- (b) a site specific security agreement dated February 14, 2019;
- (c) a \$775,000.00 collateral mortgage registered on title to the Division Property on February 22, 2019, as instrument number SN581199;
- (d) a \$562,500.00 collateral mortgage registered on title to the Paul Property, on November 2, 2020, as instrument number NR556534; and
- (e) assignments of rent registered on title to the Collateral Properties.

A copy of the Star GSA, the site specific security agreement, the Division Property collateral mortgage documentation, the Paul Property collateral mortgage documentation, and the assignments of rent for the Collateral Properties are attached hereto and marked as **Exhibits “F”, “G”, “H”, “I”, and “J”**, respectively.

B) 214 Credit Agreement

12. Pursuant to a credit agreement most recently dated April 28, 2021, (as same may have been amended, replaced, restated or supplemented from time to time, the “**214 Credit Agreement**”, and together with the Star Credit Agreement, are the “**Credit Agreements**”), RBC granted certain credit facilities to 214 (the “**214 Credit Facilities**”, and together with the Star Credit Facilities, the “**Credit Facilities**”). A copy of the 214 Credit Agreement is attached hereto and marked as **Exhibit “K”**.

13. As detailed in the 214 Credit Agreement, 214 Credit Facilities include:

- (a) a revolving demand facility in the amount of \$150,000.00, with an interest rate of RBP plus 5%, per annum; and
- (b) business credit card facilities in the amount of \$50,000.00.

14. As security for the 214 Credit Facilities, 214 provided a general security agreement dated July 29, 2019 (the “**214 GSA**”), constituting security over all of 214’s present, future, and after acquired property, assets, and undertaking (the “**214 Security**”, and collectively with the Star Security is the “**Security**”). A copy of the 214 GSA is attached hereto and marked as **Exhibit “L”**.

C) The Guarantees

15. Star and Haroon provided guarantees as follows, which are in addition to and not in substitution of each other (collectively, the “**Guarantees**”):

- (a) With respect to the Star Credit Facilities:

- (i) a guarantee from Haroon limited to \$775,000.00 dated January 23, 2019;
 - (ii) a guarantee from Haroon for the amounts owing collateral mortgage on the Division Property dated February 14, 2019; and
 - (iii) a guarantee from Haroon limited to \$562,500.00 specifically for the Star Term Facility dated October 23, 2020;
- (b) With respect to the 214 Credit Facilities:
- (i) a guarantee from Star limited to \$200,000.00 dated April 29, 2021; and
 - (ii) a guarantee from Haroon in the amount of \$200,000.00 dated April 29, 2021.

Copies of the Guarantees are attached hereto and marked as **Exhibits “M” and “N”**, respectively.

16. The Guarantees provided by 214 and Haroon guarantee the present and future debts of 214 and Star to the extents and amounts outlined above, together with interest at a rate of RBP plus 5%, per annum.

Debtors' Other Secured Creditors

17. I have reviewed searches of the Personal Property Security Registration Database (the “**PPSR Database**”) and the registration database for *Bank Act* registrations (the “**Bank Act Database**”).

18. The PPSR Database shows RBC as the only registered creditor for both 214 and Star. A copy of the PPSR Database for 214 and Star current to November 3, 2024, are attached hereto and marked as **Exhibits “O”** and **“P”**, respectively .

19. The Bank Act Database does not disclose any registrations as against 214 or Star. A copy of the Bank Act Database for 214 and Star current to November 4, 2024, are attached hereto and marked as **Exhibits “Q”** and **“R”**, respectively.

Financial Difficulties and Demands Made by RBC

20. The First Star Term Facility matured on February 22, 2024, and the Second Star Term Facility matured on October 29, 2023. Despite maturity, the Term Facilities were not repaid.

21. On April 1, 2024, RBC issued letters to the respondents, demanding the remedy of defaults that had occurred under the Credit Agreements (the **“Non-Tolerance Letters”**). RBC noted that the Corporations were in default of various reporting requirements. RBC demanded that these defaults be remedied by April 30, 2024. A copy of the Non-Tolerance Letters are attached hereto and marked as **Exhibit “S”**.

22. The defaults were not remedied by April 30, 2024, and I accordingly instructed RBC’s counsel Lerners LLP (**“Lerners”**) to issue demands. On or about May 17, 2024, RBC issued to each of the respondents demands for payment as of that date, together with accruing interest and any and all costs and expenses incurred by RBC (collectively, the **“Demands”**).

23. Further, RBC also issued to 214 and Star notices of intention to enforce security pursuant (the “**BIA Notices**”) to section 244(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3 as amended (the “**BIA**”). A copy of the Demands and BIA Notices are attached hereto and marked as **Exhibit “T”**.

24. On June 7, 2024, RBC further issued notices of sale with respect to the Collateral Properties (the “**Notices of Sale**”). A copy of the Notices of Sale are attached hereto and marked as **Exhibit “U”**.

The Forbearance Agreement

25. On June 20, 2024, Haroon contacted Lerner requesting a forbearance to permit him time to sell the Collateral Properties in order to repay the amounts due and owing by the Corporations. A copy of Haroon’s email is attached hereto and marked as **Exhibit “V”**.

26. On or about July 14, 2024, RBC and the respondents (collectively, the “**Parties**”) entered into a forbearance agreement (the “**Forbearance Agreement**”). The Forbearance Agreement provided the respondents until October 1, 2024, to refinance, or otherwise satisfy their obligations to RBC. A copy of the Forbearance Agreement (without schedules) is attached hereto as **Exhibit “W”**.

27. Pursuant to the Forbearance Agreement, the respondents covenanted to, among other things:

- (a) permit the registration of new collateral mortgages against the Collateral Properties in the amount of \$200,000.00;

- (b) provide updates to the RBC on the sale of the Collateral Properties and any related documentation on the first business day of each month during the forbearance period; and,
- (c) repay the Credit Facilities on or before October 1, 2024 (the “**Designated Date**”).

28. Further, as part of the Forbearance Agreement, the respondents consented to the appointment of a receiver (the “**Receivership Consent**”). A copy of the Receivership Consent is attached hereto as **Exhibit “X”**.

29. The Corporations and Guarantors also agreed to a consent to judgment and acknowledgment of service of RBC’s Statement of Claim (Court File No. CV-24-00003530-0000). A copy of the Consent Judgment is attached hereto and marked as **Exhibit “Y”**.

Default Occurs under the Forbearance Agreement

30. The respondents were unable to sell or refinance the Collateral Properties by the Designated Date. The foregoing constituted defaults under the terms of the Forbearance Agreement.

31. As of November 19, 2024, \$1,554,238.16 remains due and owing under the Credit Facilities together with interest and costs which continue to accrue (the “**Indebtedness**”). A copy of a print out detailing the amounts owing under the Credit Facilities is attached hereto and marked as **Exhibit “Z”**.

Appointment of Receiver and Judgment Against Haroon

32. As of the time of swearing this affidavit, the respondents have failed to repay the Indebtedness or initiate any filings under the BIA. As noted above, the Corporations defaulted on their obligations to RBC, RBC issued the Demands and Notices of Sale, and the Indebtedness remains unpaid.

33. The respondents have consented to the appointment of a receiver (as provided for in the Receivership Consent).

34. In the circumstances, RBC considers it reasonable and prudent to begin enforcement of its Security in an effort to recover the Indebtedness from the respondents. Such enforcement is within RBC's rights under the Credit Facilities, the Guarantees, and the Security.

35. RBC is also seeking judgment against Haroon pursuant to his Guarantees and the Consent to Judgment contained at Exhibit Y above.

36. RBC also believes that a receiver is not only just and equitable, but necessary to preserve the Corporations' assets, the interests of RBC, and perhaps, the interests of other stakeholders.

37. RBC proposes that msi Spergel inc. ("**Spergel**") be appointed as receiver of the Corporations. Spergel is a licensed trustee in bankruptcy and is familiar with the Corporations' arrangements with RBC. Spergel has consented to act as the Receiver. A copy of the executed consent to act as receiver dated November 20, 2024, is attached hereto and marked as **Exhibit "AA"**.

38. I make this affidavit in support of the relief sought in the within application and for no improper purpose.

SWORN BEFORE ME: in person by video conference

by Jerry Tsao, at the City of Toronto, in the municipality of Metropolitan Toronto, Province of Ontario, on November 20, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Signature of Commissioner *(or as may be)*

Signature of Deponent

SPENCER JONES

JERRY TSAO

ROYAL BANK OF CANADA
Applicant

-and- STAR TOWERS LTD. et al.
Respondents

Court File No. CV-24-0008154-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON

**AFFIDAVIT OF JERRY TSAO
SWORN NOVEMBER 20, 2024**

LERNERS LLP

225 King Street West, Suite 1600
Toronto ON M5V 3M2

Domenico N. Magisano LSO# 45725E
dmagisano@lernalers.ca
Tel: 416.601.4121

Spencer Jones LSO# 77350U
sjones@lernalers.ca
Tel: 416.601.2358

Lawyers for the Applicant



Profile Report

STAR TOWERS LTD. as of May 07, 2024

Act
Type
Name
Ontario Corporation Number (OCN)
Governing Jurisdiction
Status
Date of Incorporation
Registered or Head Office Address

Business Corporations Act
Ontario Business Corporation
STAR TOWERS LTD.
2507623
Canada - Ontario
Active
March 04, 2016
8310 Nineth Line, Unit Rr201, Norval, Ontario, L0P 1K0,
Canada

This is Exhibit "A" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Ministry of Public and
Business Service Delivery

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 BUSHRA RASHID
Address for Service 5337 Hilton Court, Mississauga, Ontario, L5M 5H1, Canada
Resident Canadian Yes
Date Began January 14, 2021

Name HAROON RASHID
Address for Service 5337 Hilton Court, Mississauga, Ontario, L5M 5H1, Canada
Resident Canadian Yes
Date Began March 04, 2016

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

V. Quintanilla W.

Director/Registrar

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

Active Officer(s)

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

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

V. Quintanilla W.

Director/Registrar

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

Corporate Name History**Name****Effective Date**

STAR TOWERS LTD.

March 04, 2016

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

V. Quintanilla W.

Director/Registrar

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

Active Business Names

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

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

V. Quintanilla W.

Director/Registrar

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

Expired or Cancelled Business Names

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

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

V. Quintanilla W.

Director/Registrar

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

Document List

| Filing Name | Effective Date |
|---|-----------------------|
| CIA - Notice of Change PAF: HAROON RASHID | April 09, 2024 |
| Annual Return - 2019 PAF: RASHID HAROON - DIRECTOR | September 20, 2020 |
| Annual Return - 2018 PAF: RASHID HAROON - DIRECTOR | April 05, 2020 |
| Annual Return - 2017 PAF: RASHID HAROON - DIRECTOR | April 08, 2018 |
| Annual Return - 2016 PAF: RASHID HAROON - DIRECTOR | September 17, 2017 |
| BCA - Articles of Incorporation | March 04, 2016 |

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

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

V. Quintanilla W.

Director/Registrar

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



This is Exhibit "B" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Transaction Number: APP-A10462121629
Report Generated on May 07, 2024, 12:20

Ministry of Public and
Business Service Delivery

Profile Report

2141239 ONTARIO INC. as of May 07, 2024

| | |
|-----------------------------------|---|
| Act | Business Corporations Act |
| Type | Ontario Business Corporation |
| Name | 2141239 ONTARIO INC. |
| Ontario Corporation Number (OCN) | 2141239 |
| Governing Jurisdiction | Canada - Ontario |
| Status | Active |
| Date of Incorporation | July 03, 2007 |
| Registered or Head Office Address | Attention/Care of 2141239 ONTARIO INC, 201 Millway Avenue, 2nd Floor 11, Vaughan, Ontario, L4K 5K8, Canada |

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 Director(s)

| | |
|-----------------------------|---|
| Minimum Number of Directors | 1 |
| Maximum Number of Directors | 5 |

| | |
|---------------------|---|
| Name | HAROON RASHID |
| Address for Service | 13764 Highway 7 West, Georgetown, Ontario, L7G 4S4, Canada |
| Resident Canadian | Yes |
| Date Began | July 03, 2007 |

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

V. Quintanilla W.

Director/Registrar

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

Active Officer(s)

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

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

V. Quintanilla W.

Director/Registrar

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Corporate Name History**Name**

2141239 ONTARIO INC.

Effective Date

July 03, 2007

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

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

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

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

| | |
|---|------------------------------|
| Name | TURF RAIN IRRIGATION SYSTEM |
| Business Identification Number (BIN) | 260994504 |
| Status | Inactive - Expired |
| Registration Date | October 03, 2016 |
| Expired Date | October 02, 2021 |
| Name | TURF RAIN IRRIGATION SYSTEMS |
| Business Identification Number (BIN) | 170809636 |
| Status | Inactive - Expired |
| Registration Date | July 25, 2007 |
| Expired Date | July 24, 2012 |
| Name | EASY LAWN SPRINKLERS |
| Business Identification Number (BIN) | 250715752 |
| Status | Inactive - Expired |
| Registration Date | July 16, 2015 |
| Expired Date | July 15, 2020 |

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 |
|---|--------------------|
| Annual Return - 2019 PAF: HAROON RASHID - DIRECTOR | September 20, 2020 |
| Annual Return - 2018 PAF: HAROON RASHID - DIRECTOR | June 23, 2019 |
| Annual Return - 2017 PAF: HAROON RASHID - DIRECTOR | April 01, 2018 |
| Annual Return - 2016 PAF: HAROON RASHID - DIRECTOR | May 28, 2017 |
| Annual Return - 2015 PAF: HAROON RASHID - DIRECTOR | June 12, 2016 |
| Annual Return - 2014 PAF: HAROON RASHID - DIRECTOR | May 23, 2015 |
| Annual Return - 2013 PAF: HAROON RASHID - DIRECTOR | February 14, 2015 |
| Annual Return - 2011 PAF: HAROON RASHID - DIRECTOR | January 25, 2014 |
| Annual Return - 2012 PAF: HARRY RASHID - DIRECTOR | December 14, 2013 |
| Annual Return - 2010 PAF: HARRY RASHID - DIRECTOR | September 21, 2013 |
| Annual Return - 2009 PAF: HARRY RASHID - DIRECTOR | April 06, 2013 |
| Annual Return - 2007 PAF: HARRY RASHID | April 18, 2009 |
| Annual Return - 2007 PAF: HAROON RASHID | June 07, 2008 |

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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BCA - Articles of Incorporation

July 03, 2007

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

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

V. Quintanilla W.

Director/Registrar

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

LAND
 REGISTRY
 OFFICE #30

46219-0085 (LT)

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

PROPERTY DESCRIPTION: LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
 LT CONVERSION QUALIFIED

OWNERS' NAMES

STAR TOWERS LTD.

RECENTLY:

RE-ENTRY FROM 46219-0248

CAPACITY SHARE

ROWN

This is Exhibit "C" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.


Commissioner for Taking Affidavits (or as may be)
 Spencer Jones

PIN CREATION DATE:

2003/08/25

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|---|------------|-----------------------------|--------|---|---------------------------|-----------|
| <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/08/22 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2003/08/25 **</p> | | | | | | |
| RO493091 | 1985/03/04 | NOTICE | | | | |
| | | REMARKS: ZONING REGULATIONS | | | | |
| RO638414 | 1991/11/01 | TRANSFER | | *** DELETED AGAINST THIS PROPERTY *** | VANGELOFF, MARY | |
| NR15411 | 2004/01/23 | APL (GENERAL) | | *** COMPLETELY DELETED *** VANGELOFF, MARY | | |
| NR15449 | 2004/01/23 | TRANSFER | | *** COMPLETELY DELETED *** VANGELOFF, MARY | WORKAID & ASSOCIATES INC. | |
| NR70326 | 2005/07/14 | APL GOVT ORDER | | *** COMPLETELY DELETED *** THE CORPORATION OF THE CITY OF ST. CATHARINES | | |
| | | REMARKS: PROPERTY STANDARDS | | | | |
| NR90448 | 2006/01/13 | APL (GENERAL) | | *** COMPLETELY DELETED *** THE CORPORATION OF THE CITY OF ST. CATHARINES | WORKAID & ASSOCIATES INC. | |
| | | REMARKS: NR70326 | | | | |

This is Exhibit "C" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
 Spencer Jones

C

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

LAND
 REGISTRY
 OFFICE #30

46219-0085 (LT)

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

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|-----------|------------|---|-----------|--|--|-----------|
| NR162133 | 2007/12/07 | TRANSFER | | *** COMPLETELY DELETED *** WORKAID & ASSOCIATES INC. | SPARKES, JOHN EDWARD SPARKES, RACHAEL KATHERYNE | |
| | | <i>REMARKS: PLANNING ACT STATEMENTS</i> | | | | |
| NR162135 | 2007/12/07 | CHARGE | | *** COMPLETELY DELETED *** SPARKES, JOHN EDWARD SPARKES, RACHAEL KATHERYNE | MURPHY, BRYAN | |
| NR226725 | 2009/12/07 | CHARGE | | *** COMPLETELY DELETED *** SPARKES, JOHN EDWARD SPARKES, RACHAEL KATHERYNE | ROYAL BANK OF CANADA | |
| NR226727 | 2009/12/07 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** MURPHY, BRYAN | | |
| | | <i>REMARKS: NR162135.</i> | | | | |
| NR443154 | 2017/03/31 | TRANSFER | \$450,000 | SPARKES, JOHN EDWARD SPARKES, RACHAEL KATHERYNE | STAR TOWERS LTD. | C |
| NR443157 | 2017/03/31 | CHARGE | | *** COMPLETELY DELETED *** STAR TOWERS LTD. | BANK OF MONTREAL | |
| NR443158 | 2017/03/31 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** STAR TOWERS LTD. | BANK OF MONTREAL | |
| | | <i>REMARKS: NR443157</i> | | | | |
| NR448447 | 2017/05/31 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** ROYAL BANK OF CANADA | | |
| | | <i>REMARKS: NR226725.</i> | | | | |
| NR556534 | 2020/11/02 | CHARGE | \$562,500 | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |
| NR556535 | 2020/11/02 | NO ASSGN RENT GEN | | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |
| | | <i>REMARKS: NR556534</i> | | | | |
| NR563601 | 2021/01/12 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** BANK OF MONTREAL | | |
| | | <i>REMARKS: NR443157.</i> | | | | |
| NR674910 | 2024/09/17 | CHARGE | \$200,000 | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |

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

LAND
REGISTRY
OFFICE #59

64107-0189 (LT)

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

PROPERTY DESCRIPTION: LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

OWNERS' NAMES

STAR TOWERS LTD.

CAPACITY SHARE

ROWN

This is Exhibit "D" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

PIN CREATION DATE:

1998/10/19

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|---|------------|-------------------|--------|---------------------------------------|--|-----------|
| <p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/10/19 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/10/19**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/10/16 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1998/10/19 **</p> | | | | | | |
| BB64384 | 1967/06/02 | AGREEMENT | | *** DELETED AGAINST THIS PROPERTY *** | | |
| RO256330 | 1976/04/01 | AGREEMENT | | *** DELETED AGAINST THIS PROPERTY *** | | |
| RO345385 | 1979/11/08 | AGREEMENT | | | THE CORPORATION OF THE CITY OF WELLAND | C |
| REMARKS: ENCROACHMENT, PLAN ATTACHED | | | | | | |
| RO657041 | 1993/08/10 | JDGMT FORECLOSURE | | *** COMPLETELY DELETED *** | MAZZEI, CARMELO SDAO, ANTHONY SDAO, FRANK FUCILE, MARIO | |
| RO659446 | 1993/09/24 | CHARGE | | *** COMPLETELY DELETED *** | CAISSE POPULAIRE WELLAND LIMITEE | |

This is Exhibit "D" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/ CHKD |
|-----------|------------|--|-----------|--|--|---------------|
| RO667637 | 1994/03/04 | ASSIGNMENT GENERAL <i>REMARKS: RENTS, RO659446</i> | | *** COMPLETELY DELETED *** | | |
| LT240287 | 2003/04/02 | NOTICE AGREEMENT <i>REMARKS: RO659446</i> | | *** COMPLETELY DELETED *** MAZZEI, CARMELO SDAO, ANTHONY SDAO, FRANK FUCILE, MARIO | CAISSE POPULAIRE WELLAND LIMITEE | |
| SN27444 | 2004/03/23 | TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS</i> | | *** COMPLETELY DELETED *** FUCILE, MARIO MAZZEI, CARMELO SDAO, ANTHONY SDAO, FRANK | DESGAGNE, JOHN LOUIS DESGAGNE, JENNIFER LYNN | |
| SN27445 | 2004/03/23 | CHARGE | | *** COMPLETELY DELETED *** DESGAGNE, JOHN LOUIS DESGAGNE, JENNIFER LYNN | MAZZEI, CARMELO SDAO, ANTHONY SDAO, FRANK FUCILE, MARIO | |
| SN49592 | 2004/09/15 | DISCH OF CHARGE <i>REMARKS: RE: RO659446</i> | | *** COMPLETELY DELETED *** CAISSE POPULAIRE WELLAND LIMITEE | | |
| SN238950 | 2009/03/16 | DISCH OF CHARGE <i>REMARKS: RE: SN27445</i> | | *** COMPLETELY DELETED *** MAZZEI, CARMELO SDAO, ANTHONY SDAO, FRANK FUCILE, MARIO | | |
| SN466983 | 2016/04/29 | APL (GENERAL) <i>REMARKS: DELETE BB64384 AND RO256330 DUE TO EXPIRY MARCH 1, 1978</i> | | *** COMPLETELY DELETED *** DESGAGNE, JOHN LOUIS DESGAGNE, JENNIFER LYNN | | |
| SN467226 | 2016/04/29 | TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i> | \$627,000 | DESGAGNE, JENNIFER LYNN DESGAGNE, JOHN LOUIS | STAR TOWERS LTD. | C |

LAND
 REGISTRY
 OFFICE #59

64107-0189 (LT)

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

| REG. NUM. | DATE | INSTRUMENT TYPE | AMOUNT | PARTIES FROM | PARTIES TO | CERT/CHKD |
|--------------------|------------|-------------------|-----------|--|----------------------|-----------|
| SN467227 | 2016/04/29 | CHARGE | | *** COMPLETELY DELETED *** STAR TOWERS LTD. | BANK OF MONTREAL | |
| SN467247 | 2016/04/29 | NO ASSGN RENT GEN | | *** COMPLETELY DELETED *** STAR TOWERS LTD. | BANK OF MONTREAL | |
| REMARKS: SN467227. | | | | | | |
| SN581199 | 2019/02/22 | CHARGE | \$775,000 | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |
| SN581200 | 2019/02/22 | NO ASSGN RENT GEN | | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |
| REMARKS: SN581199. | | | | | | |
| SN649701 | 2020/11/10 | DISCH OF CHARGE | | *** COMPLETELY DELETED *** BANK OF MONTREAL | | |
| REMARKS: SN467227. | | | | | | |
| SN778474 | 2023/09/07 | CHARGE | \$200,000 | STAR TOWERS LTD. | 1553357 ONTARIO INC. | C |
| SN790653 | 2024/01/10 | CHARGE | \$470,000 | STAR TOWERS LTD. | 1553357 ONTARIO INC. | C |
| SN814555 | 2024/09/17 | CHARGE | \$200,000 | STAR TOWERS LTD. | ROYAL BANK OF CANADA | C |

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



This is Exhibit "E" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely

FORM 460 (Rev 01/2018)

Commissioner for Taking Affidavits (or as may be)

ROYAL BANK OF CANADA CREDIT AGREEMENT Spencer Jones

DATE: January 16, 2019

| | |
|---|--------------------------|
| BORROWER: STAR TOWERS LTD. | SRE: 334322930 |
| ADDRESS (Street, City/Town, Province, Postal Code) 8310 NINTH LINE NORVAL, ON L0P 1K0 | |

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned (the "Borrower") the following credit facilities (the "Credit Facilities"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "Agreement"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

CREDIT FACILITIES

Facility #1 Revolving demand facility in the amount of \$5,000.00, available by way of Overdraft. Interest rate: RBP + 5.00% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.

Facility #2 Fixed rate term loan (non-revolving) in the amount of \$750,000.00. Repayable by consecutive monthly blended payments, to be determined at drawdown, including interest, based on a 300 month amortization. First blended payment is due 30 days from drawdown. This loan has a 12 month term and all outstanding principal and interest is payable in full at the end of the term. Interest rate: to be determined at time of Borrowing. Amount eligible for prepayment is NIL.

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Borrowing Request substantially in the form of Schedule "A" attached hereto, provided by the Borrower and accepted by the Bank.

OTHER FACILITIES

The Credit Facilities are in addition to the following facilities (the "Other Facilities"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

a) Credit Card to a maximum amount of \$20,000.00.

SECURITY

Security for the Borrowings and all other obligations of the Borrower to the Bank, (collectively, the "Security"), shall include:

- General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower, held in support of Facility #2;
- Collateral mortgage in the amount of \$775,000.00 signed by the Borrower, constituting a first fixed charge on the lands and improvements located at 52-66 Hellems & 147 Division St., Welland, ON;
- Assignment of rents on the Bank's form 760 signed by the Borrower constituting a first ranking assignment of all rents arising from the lands and improvements located at 52-66 Hellems & 147 Division St., Welland, ON, held in support of Facility #2;
- Guarantee and postponement of claim on the Bank's form 812 in the amount of \$775,000.00 signed by Haroon Rashid;
- Postponement and assignment of claim on the Bank's form 918 signed by Haroon Rashid.

* Registered trademark of Royal Bank of Canada.

FEES

Arrangement fee of \$750.00 payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Renewal Fee:

If the Bank renews or extends any term facility or term loan beyond its maturity date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

REPORTING REQUIREMENTS

The Borrower will provide to the Bank:

- a) Annual notice to reader financial statements for the Borrower, within 90 days of each fiscal year end;
- b) Annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2020;
- c) Annual rent roll statements for the property located at 52-66 Hellems & 147 Division St., Welland, ON, within 90 days of each fiscal year end;
- d) Such other financial and operating statements and reports as and when the Bank may reasonably require.

OTHER INFORMATION/REQUIREMENTS

- a) In no event will the Credit Facilities or any part thereof be available unless a satisfactory visit and inspection of the Borrower's premises, properties and assets, including any equipment financed, has been completed by the Bank, or its representatives.
- b) In no event will the Credit Facilities or any part thereof be available unless the Bank has received:
 - i) an environmental questionnaire in respect of the Borrower and/or site checklist(s) in respect of all applicable real property on which the Borrower has granted Security to the Bank, on the Bank's standard form(s) and containing findings acceptable to the Bank;
- c) No Borrowing under Facility #2 will be made available unless the Bank has received:
 - i) a building condition assessment/property condition assessment in respect of the property located at 52-66 Hellems & 147 Division St., Welland, ON, completed by a consultant satisfactory to the Bank and containing findings acceptable to the Bank.
 - ii) an appraisal in respect of the property located at 52-66 Hellems & 147 Division St., Welland, ON, confirming (i) a minimum market value of \$1,000,000.00 and (ii) the loan-to-value ratio does not exceed 75%, completed by an appraiser acceptable to the Bank and containing findings acceptable to the Bank.
 - iii) evidence, satisfactory to the Bank, of adequate and appropriate disability, liability, life, practice interruption, and property insurance.
 - iv) a copy of an executed lease agreement in respect of the property located at 52-66 Hellems & 147 Division St., Welland, ON, containing terms and conditions satisfactory to the Bank.

BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible,

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

* Registered trademark of Royal Bank of Canada.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

STANDARD TERMS

The following standard terms have been provided to the Borrower:

Form 472 (01/2018) Royal Bank of Canada Credit Agreement - Standard Terms

Form 473 (10/2017) Royal Bank of Canada Credit Agreement - Margined Accounts Standard Terms

Form 473A (10/2017) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions

Form 473B (10/2017) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

ACCEPTANCE

This Agreement is open for acceptance until February 16, 2019, after which date it will be null and void, unless extended in writing by the Bank.

ROYAL BANK OF CANADA



Per: _____

Title: Vice President

RBC Contact: JASMEET TAAK

/fc

CONFIRMATION & ACCEPTANCE

The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 23rd day of January, 2019.

STAR TOWERS LTD.

Per: 

Name: JARROON RASHID

Title: PRESIDENT

Per: _____

Name: _____

Title: _____

I/We have the authority to bind the Borrower

Attachments:

- Schedule - Borrowing Request

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

AVAILABILITY

Revolving facilities: The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

Non-revolving facilities: The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "General Account") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unexpired or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.
- j) In the case of any reducing term loan and/or reducing term facility ("Reducing Term Loan/Facility"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("Renewal Letter") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term

Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
 - (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
 - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;
- plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;
- plus:
- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "Accounts") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law.
- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation,

termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or any Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

AMENDMENTS AND WAIVERS

No amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof.

SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

SET-OFF

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

CONSENT OF DISCLOSURE

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

JOINT AND SEVERAL / SOLIDARY

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

EVENTS OF DEFAULT

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

FEF CONTRACTS

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;
- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract, including those disclosed by the Bank in the Risk Disclosure Statement below.

**FOREIGN EXCHANGE FORWARDS
RISK DISCLOSURE STATEMENT**

The Borrower should only enter into over-the-counter foreign exchange forward contracts or variations thereof ("FX Forwards") if it has sufficient knowledge and experience to evaluate them and if it understands, acknowledges and is capable of assuming all of the risks associated with them, including those described below.

Market or Price Risk. FX Forwards involve market or price risk. At any given time after execution but prior to maturity, an FX Forward will have a market value which may be greater or less than the market value the FX Forward had at the time of execution. Accordingly, if the Borrower wishes to reverse or close-out an FX Forward prior to maturity, there may be a resulting gain or loss to the Borrower. Such gain or loss could be substantial depending on the terms of the FX Forward and market conditions, which can change continuously and rapidly.

Absence of Advisory Relationship. While Royal Bank of Canada ("RBC") may comment on a variety of topics in conversation with the Borrower, the Borrower should not assume that RBC is acting in an advisory capacity unless RBC expressly indicates otherwise. All information provided by RBC should be evaluated by the Borrower independently of RBC. This includes not only information about market conditions and trends but also any information about the legal, regulatory, tax, accounting and credit issues generated by FX Forwards.

This Risk Disclosure Statement does not purport to disclose all of the risks and material considerations associated with FX Forwards, and neither this Risk Disclosure Statement, nor any other document provided by RBC, should be construed as legal, tax, investment or business advice or counsel.

EXCHANGE RATE FLUCTUATIONS

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

LANGUAGE

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

WHOLE AGREEMENT

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

NOTICES

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

COUNTERPART EXECUTION

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

ELECTRONIC MAIL AND FAX TRANSMISSION

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

ELECTRONIC IMAGING

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

DEFINITIONS

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"Applicable Laws" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"Borrowing" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

"Business Day" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

"Business Loan Insurance Plan" means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

"Capital Expenditures" means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

"Contaminant" includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

"Corporate Distributions" means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

"Current Assets" means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

"Current Liabilities" means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

"Current Ratio" means the ratio of Current Assets to Current Liabilities;

"Debt Service Coverage" means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

"EBITDA" means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

"Environmental Activity" means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

"Environmental and Health and Safety Laws" means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

"Equivalent Amount" means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

"Equity" means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

"Financial Assistance" means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

"Fixed Charge Coverage" means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes and Unfunded Capital Expenditures to Fixed Charges;

"Fixed Charges" means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt, payments under operating leases and Corporate Distributions;

"Foreign Exchange Forward Contract" or **"FEF Contract"** means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

"Funded Debt" means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

"Guarantor" means any Person who has guaranteed the obligations of the Borrower under this Agreement;

"Lease" means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

"Interest Expense" means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances.

"Investment" means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

"Letter of Credit" or **"LC"** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

"Letter of Guarantee" or **"LG"** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

"Margin" or **"Margined"** means that the availability of Borrowings under the credit facilities will be based on the Borrower's level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

"Overdraft" means advances of credit by way of debit balances in the Borrower's current account;

"Permitted Encumbrances" means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

"Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

"Policy" means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

"Postponed Debt" means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

"Potential Prior-Ranking Claims" means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

"RBP" and **"Royal Bank Prime"** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

"RBUSBR" and **"Royal Bank US Base Rate"** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

"Release" includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

"Tangible Net Worth" means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

"Total Liabilities" means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

"Unfunded Capital Expenditures" means Capital Expenditures not funded by either bank debt or equity proceeds;

"US" means United States of America.



This is Exhibit "F" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Royal Bank of Canada
General Security Agreement

SRF: 334322930
Borrower: STAR TOWERS LTD.

9300 BATHURST ST
2ND FLR
MAPLE
ONTARIO
L6A 4N9
CA

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

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(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

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So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

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- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if

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Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the

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representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any

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Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to

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RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).


16. Debtor represents and warrants that the following information is accurate:

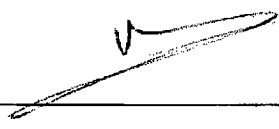
BUSINESS DEBTOR

| | | | |
|---|----------------|---------------------|-----------------------|
| NAME OF BUSINESS DEBTOR STAR TOWERS LTD. | | | |
| ADDRESS OF BUSINESS DEBTOR 8310 NINTH LINE | CITY NORVAL | PROVINCE ONTARIO | POSTAL CODE L0P1K0 |

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 23rd day January 2019

STAR TOWERS LTD.

WITNESSES 

 Seal

WITNESSES

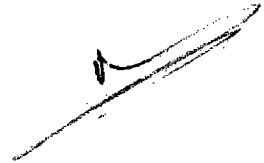
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SCHEDULE "A"
(ENCUMBRANCES AFFECTING COLLATERAL)



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SCHEDULE "B"

1. Locations of Debtor's Business Operations

8310 NINTH LINE,
NORVAL
ONTARIO
CA
L0P1K0

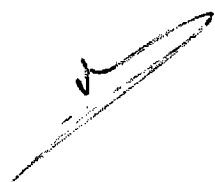
2. Locations of Records relating to Collateral

8310 NINTH LINE,
NORVAL
ONTARIO
CA
L0P1K0

3. Locations of Collateral

~~8310 NINTH LINE,
NORVAL
ONTARIO
CA
L0P1K0~~

52-66 DEHELLEMS AVE & 147 DIVISION ST.
WELAND, ON L3B 3B1



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SCHEDULE "C"
(DESCRIPTION OF PROPERTY)



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This is Exhibit "G" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Spencer Jones

SITE SPECIFIC SECURITY AGREEMENT

E-FORM (2005/10) RETENTION

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **Royal Bank of Canada** (the "Lender"), having a place of business at 36 York Mills Road, 4th Floor, Toronto, ON M2P 0A4, a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property consisting of all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) now or hereafter situate on, used in connection with or arising from the business or affairs carried on, at or about the real property located at or about **52-66 Hellems Ave. and 147 Division St., Welland, Ontario** (the "Mortgaged Property") and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and as further general and continuing security for the Debtor's indebtedness to the Lender the Debtor hereby assigns the Collateral to the Lender and mortgages and charges the Collateral as and by way of a fixed and specific mortgage and charge to the Lender. The Security Interest hereby created shall include such assignment, mortgage and charge. Without limiting the generality of the foregoing, the Collateral includes all of the following now owned or hereafter owned or acquired by or on behalf of Debtor now or hereafter situate on, used in connection with or arising from the business or affairs carried on at the Mortgaged Property or the business or operations of the Debtor related to the Mortgaged Property:

- (i) all Inventory of whatever kind;
- (ii) all equipment (other than Inventory) of whatever kind, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents or Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (v) all lists, records and files relating to Debtor's customers, clients and patients; and
- (vi) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term in the course of the enforcement of the said Security Interest; nor shall the Security Interest render the Lender liable to observe or perform any term, covenant or condition of any agreement, documents or instrument to which the Debtor is a party or by which it is bound.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A.. Any reference herein to "collateral" shall, unless the context

otherwise requires, be deemed a reference to "Collateral or any part thereof".

(d) The Debtor and the Lender acknowledge and agree that the Security Interest is taken over all of the Debtor's present and after acquired personal property except: (i) Goods not ordinarily located on the Mortgaged Property; and (ii) Accounts, Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities not used in connection with, or not arising from, the Mortgaged Property or the business or affairs carried on at the Mortgaged Property.

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to the Lender (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Lender shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by the Lender, prior to their creation or assumption;

(b) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise;

(c) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations;

(d) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to the Lender will not result in a breach of any agreement to which Debtor is a party; and

(e) None of the Collateral in existence on the date hereof (i) is incapable of being assigned or otherwise secured in favour of the Lender in accordance with the provisions of this Security Agreement; (ii) is incapable of further assignment or security granted by the Lender or by any Receiver (as that term is defined in section 13(b) herein) after default; or (iii) requires the consent of any third party to the security interest granted hereby, except for any consent that has already been obtained. The Debtor covenants with the Lender that no

Collateral will be hereafter obtained or agreed to by the Debtor which is not secured in favour of the Lender in accordance with the provisions hereof or which requires the consent of any third party to any such security.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by the Lender, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify the Lender promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure Collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as the Lender may from time to time direct, with loss payable to the Lender and Debtor, as insured, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to the Lender on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;

(i) to deliver to the Lender from time to time promptly upon request:

ADITION/CM/2008 M 10:58:29 01 P

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as the Lender may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES

If Collateral at any time includes Securities, Debtor authorizes the Lender to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Lender or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, the Lender shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by the Lender or its nominee(s) as such registered owner and agrees that no proxy issued by the Lender to Debtor or its order as aforesaid shall thereafter be effective.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to the Lender. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for the Lender and shall be turned over to the Lender upon request.

Debtor authorizes the Lender to take such action or proceedings in Debtor's name and at Debtor's expense as may be necessary to collect and recover any rents.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if the Lender receives any such Money prior to default, the Lender shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on

Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to the Lender.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

- (a) Whether or not default has occurred, Debtor authorizes the Lender:
- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
 - (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to the Lender to be held by the Lender as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by the Lender pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and the Lender;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter

furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Lender at or prior to the time of such execution.

12. ACCELERATION

The Lender, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if the Lender considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, the Security Interest granted hereby will at the option of the Lender in its sole discretion become immediately enforceable.

(b) Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not the Lender, and the Lender shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow Money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by the Lender, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

(c) Upon default, the Lender may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (b).

(d) The Lender may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Lender may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender may seem reasonable.

(e) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any

proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.

(f) Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(g) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(h) The Lender will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A.

(i) Debtor appoints any officer or director or branch manager of the Lender upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign or transfer, and to record any assignment or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes the Lender to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as the Lender may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of a branch of the Lender, in the province in which the Mortgaged Property is situate, the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of the Lender, whenever Indebtedness is immediately due and payable or the Lender has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Lender may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by the Lender in any capacity, whether or not due, and the Lender shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Lender's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either Debtor's or the Lender's name, at

the Lender's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which Debtor is in any way liable and, subject to Clause 13(h) hereof, notice of any other action taken by the Lender.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against the Lender. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) The Lender may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Lender or any one acting on behalf of the Lender.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(h) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of the Lender, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to the Lender. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by the Lender and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the place of business of the Lender mentioned in section 1(a) shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by the Lender, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to the Lender.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

- (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
- (ii) shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with the Lender that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of **[insert the province or territory where the Mortgaged Property is situate]**, as those laws may from time to time be in effect, including where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by the Lender or of any verification statement with respect to any financing statement or financing change statement registered by the Lender. (Applies in all P.P.S.A. Provinces except Ontario).

16. Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

| | | | |
|------------------------------|------------|-------------|---------------------------|
| SURNAME (LAST NAME) | FIRST NAME | SECOND NAME | BIRTH DATE: YR / MO / DAY |
| ADDRESS OF INDIVIDUAL DEBTOR | CITY | PROVINCE | POSTAL CODE |
| SURNAME (LAST NAME) | FIRST NAME | SECOND NAME | BIRTH DATE: YR / MO / DAY |

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 14th day of FEB, 2019.

STAR TOWERS LTD.

Per: 

Name: Haroon Rashid
Title: President

I have authority to bind the Corporation

I / We have the authority to bind the Corporation

WITNESS:

Insert name of **INDIVIDUAL DEBTOR** here

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

- 1. Locations of Debtor's Business Operations

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564; WELLAND being the whole of PIN 64107-0189(LT) municipally known as 52-66 Hellems Ave., and 147 Division St., Welland, Ontario (the "Property")

NO. 10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100

2. Locations of Records relating to Collateral (if different from 1. above)

3. Locations of Collateral (if different from 1. above)

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SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

NO. OF OWNERS IN HO. UN. AND DE

**CORPORATE CERTIFICATE OF
STAR TOWERS LTD.**

TO: ROYAL BANK OF CANADA (the "Lender")

RE: That certain Credit Agreement letter (the "Commitment") dated the 16th day of January, 2019, from the Lender, as lender, to Star Towers Ltd., as borrower

I, Haroon Rashid, of the Town of Halton, in the Province of Ontario, the duly appointed President of Star Towers Ltd. (the "Corporation"), certify that:

1. the Corporation was incorporated pursuant to the ***Business Corporations Act*** (Ontario) (the "Act") by articles of incorporation under the name of **Star Towers Ltd.** dated March 4, 2016;
2. annexed hereto as Schedule "A" are true and correct copies of the articles of incorporation under the name of Star Towers Ltd. dated March 4, 2016 and by-laws of the Corporation;
3. the articles (as that word is defined in the Act) and by-laws of the Corporation have not been further amended, whether by way of arrangement (as that word is defined in the Act) or otherwise or restated except as set out in Schedule "A" hereof;
4. no resolution has been made, passed or enacted and no application has been made, is presently pending or contemplated for the amendment (whether by way of arrangement or otherwise) or restatement of the articles of the Corporation or for the continuance of the Corporation to another jurisdiction;
5. each of the representations and warranties made by the Corporation and set out in the Commitment, in any of the Security Documents (as such capitalized term is defined in the Commitment) and in any other document, material, information or report supplied to or delivered to the Lender, the Lender's counsel or representatives of the Lender by or on behalf of the Corporation is true and correct in every material respect as at the date hereof, with the same force and effect as if made on the date of this certificate;
6. each of the covenants and agreements made by the Corporation set out in the Commitment have been performed, fulfilled and satisfied, no Event of Default (as that capitalized term is defined in the Commitment) has occurred and continues to subsist and no event or circumstance has occurred and no condition exists which will result, either immediately, or with the lapse of time or giving of notice or both, in the occurrence or existence of an Event of Default or in the occurrence or existence of a default pursuant to or under any of the documents described in paragraph 5 above (collectively the "Documents") or any document

or agreement executed or delivered by the Corporation to the Lender in connection with or pursuant to the Documents or the Commitment;

WITNESS the corporate seal of the Corporation this 14th day of February, 2019.



Haroon Rashid – President c/s

NO. 10 NO. 00. 01 02

SCHEDULE "A"

Attach Articles of Incorporation and By-laws.

STANDARD INFORMATION

LRO # 59 Charge/Mortgage

Received as SN581199 on 2019 02 22 at 09:50

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 4

Properties

PIN 64107 - 0189 LT Interest/Estate Fee Simple
Description LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND
Address HELLEMS AVENUE
WELLAND

Chargor(s)

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

Name STAR TOWERS LTD.
Address for Service 8310 Ninth Line
Norval, ON
L0P 1K0

I, Haroon Rashid, President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name ROYAL BANK OF CANADA
Address for Service 36 York Mills Road, 4th Floor
Toronto, ON
M2P 0A4

Statements

Schedule: See Schedules

Provisions

Principal \$775,000.00 Currency CDN
Calculation Period
Balance Due Date See Schedule
Interest Rate See Schedule
Payments
Interest Adjustment Date
Payment Date
First Payment Date
Last Payment Date
Standard Charge Terms 20015
Insurance Amount Full insurable value
Guarantor

This is Exhibit "H" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Signed By

Terrilee Ruth Elaine Walek 1600-Four Robert Speck Pkwy acting for Signed 2019 02 20
Mississauga Chargor(s)
L4Z 1S1

Tel 905-276-9111
Fax 905-276-2298

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

Submitted By

KEYSER MASON BALL LLP 1600-Four Robert Speck Pkwy 2019 02 22
Mississauga
L4Z 1S1

Tel 905-276-9111
Fax 905-276-2298

Fees/Taxes/Payment

Statutory Registration Fee \$64.40

2019 FEB 22 09:50 AM ON

LRO # 59 Charge/Mortgage

Received as SN581199 on 2019 02 22 at 09:50

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 4

Fees/Taxes/Payment

Total Paid \$64.40

File Number

Chargee Client File Number : DDG/TW 23613-03

2019 02 22 09:50:01

Properties

PIN 46219 - 0085 LT Interest/Estate Fee Simple
 Description LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES
 Address 387 391 ST. PAUL STREET
 ST. CATHARINES

Chargor(s)

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

Name STAR TOWERS LTD.
 Address for Service 8310 Ninth Line
 Norval, Ontario
 L0P 1K0

I, HAROON RASHID, AUTHORIZED SIGNING OFFICER, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name ROYAL BANK OF CANADA
 Address for Service 36 York Mills Road, 4th Floor
 Toronto, Ontario M2P 0A4

Statements

Schedule: See Schedules

Provisions

Principal \$562,500.00 Currency CDN
 Calculation Period
 Balance Due Date
 Interest Rate See Schedule Attached
 Payments
 Interest Adjustment Date
 Payment Date
 First Payment Date
 Last Payment Date
 Standard Charge Terms 20015
 Insurance Amount See standard charge terms
 Guarantor

This is Exhibit "I" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Signed By

Terrilee Ruth Elaine Walek 900-3 Robert Speck Pkwy acting for Signed 2020 11 02
 Mississauga Chargor(s)
 L4Z 2G5

Tel 905-276-9111

Fax 905-276-2298

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

Submitted By

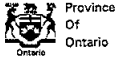
KEYSER MASON BALL LLP 900-3 Robert Speck Pkwy 2020 11 02
 Mississauga
 L4Z 2G5

Tel 905-276-9111

Fax 905-276-2298

Fees/Taxes/Payment

Statutory Registration Fee \$65.30
 Total Paid \$65.30



Schedule

Additional Property Identifier(s) and/or Other Information

(1) Insert name of customer 1. WHEREAS (1) STAR TOWERS LTD.

(hereinafter called the "Customer") is a customer of the Chargee. If more than one person is named above, the term "Customer" means all and any one or more of them and the liabilities of the Customer (as hereinafter defined) means the liabilities of all or any one or more of them to the Chargee.

2. AND WHEREAS the Chargor has at the request of the Chargee agreed to give this Charge as a continuing collateral security for payment and satisfaction to the Chargee of all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed at any time owing by the Customer to the Chargee or remaining unpaid by the Customer to the Chargee heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Chargee and the Customer or from any agreement or dealings with any third party by which the Chargee may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside Canada and whether the Customer be bound alone or with another or others and whether as principal or surety and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again (such obligations, debts and liabilities being hereinafter called the "liabilities") but it being agreed that this Charge at any one time will secure only that portion of the aggregate principal component of the liabilities outstanding at such time which does not exceed the sum of (2) five hundred sixty-two thousand, five hundred Dollars/(\$ 562,500.00)

(2) Insert maximum amount together with any interest or compound interest accrued on the principal at such time at the rate hereinafter set forth.

Select one Paragraph 3 and delete other :

(3) Insert same amount as in Note (2) above 3. **FIXED INTEREST RATE**
PROVIDED THIS CHARGE to be void upon the Chargor, his heirs, executors, administrators, successors or assigns or any of them, paying on demand to the Chargee, its successors or assigns, the ultimate balance of the liabilities and all promissory notes, bills of exchange and any other instruments whatsoever from time to time representing the liabilities or any part thereof, the principal component of such liabilities not exceeding the sum of (3) _____ Dollars/(\$ _____) together with interest thereon

(4) Insert applicable fixed interest rate at the rate of (4) _____ per centum (_____ %) per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as on the principal sum, and all other amounts payable by the Chargor hereunder and paying any taxes, rates, levies, charges or assessments upon the said lands no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions herein contained.

(3) Insert same amount as in Note (2) above 3. **PRIME RATE**
PROVIDED THIS CHARGE to be void upon the Chargor, his heirs, executors, administrators, successors or assigns or any of them, paying on demand to the Chargee, its successors or assigns, the ultimate balance of the liabilities and all promissory notes, bills of exchange and any other instruments whatsoever from time to time representing the liabilities or any part thereof, the principal component of such liabilities not exceeding the sum of (3) five hundred sixty-two thousand, five hundred 562,500.00) together with interest thereon at a rate equal to the Chargee's Prime Interest Rate per annum in effect from time to time plus

(4) Insert applicable interest rate above prime (4) five per centum (5.0 %) per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as on the principal sum, and all other amounts payable by the Chargor hereunder and paying any taxes, rates, levies, charges or assessments upon the said lands no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions herein contained. For the purpose hereof, Prime Interest Rate is the annual rate of interest announced from time to time by the Chargee as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

In the event that it may be necessary at any time for the Chargee to prove the Chargee's Prime Interest Rate applicable as at any time, or times, it is agreed that the certificate in writing of the Manager of the branch of the Chargee responsible for the collection of the liabilities hereby secured, setting forth the said Chargee's Prime Interest Rate as at any time, or times, shall be conclusive evidence as to the said Chargee's Prime Interest Rate as in the said certificate set forth.

FOR OFFICE USE ONLY

4. IT IS AGREED BY AND BETWEEN THE PARTIES HERETO as follows:

(a) That no part of any liabilities of the Customer to the Chargee existing at the date of this Charge or incurred or arising thereafter, shall be deemed to be unsecured by this Charge.

(b) That this Charge is and shall be a continuing collateral security to the Chargee for the amount of such liabilities and interest as herein provided and shall be deemed to be taken as security for the ultimate balance of other security held by or which may hereafter be held by the Chargee from the Customer or from the Customer or merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Chargee from the Customer or from the Customer or from any other person or persons and this Charge shall not in any way prejudicially affect any security held or which may hereafter be held by the Chargee for the said liabilities or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the said liabilities or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of this Charge.

(c) That any and all payments made in respect of the said liabilities and interest and the moneys or other proceeds realized from the sale of any securities held in respect of such liabilities or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.

(d) That the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargee, the Customer and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge.

(e) That the taking of judgment in respect of the said liabilities or any instrument or instruments now or hereafter representing or evidencing the said liabilities or under any of the covenants herein or in any such instrument contained or implied shall not operate as a merger of the said liabilities or such instrument, instruments or covenants nor affect the Chargee's right to interest at the rate and times herein provided nor affect nor prejudice any rights or remedies given to the Chargee by the terms hereof.

5. In the event one or more of the Chargees is not also the Customer, each such Chargee which is not also the Customer (hereinafter in this paragraph called "such Chargee") jointly and severally covenants with the Chargee as follows:-

(a) This Charge and the covenants, provisos, obligations and agreements on the part of the Chargee herein contained shall be the continuing obligations and liability of each such Chargee and shall cover all the liabilities and obligations of the Chargee hereunder and shall apply to and shall secure any ultimate balance of the moneys secured or intended to be secured hereby;

(b) The Chargee shall not be bound to exhaust its recourse against the Customer or others or any securities (which term when used in this Paragraph 5, includes guarantees) it may at any time hold before being entitled to payment from each such Chargee or the moneys hereby secured and each such Chargee renounces to all benefits of discussion and division;

(c) This Charge and the liabilities and obligations of each such Chargee hereunder shall not be affected by the death or loss or diminution of capacity of the Customer or of any such Chargee or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital, structure or constitution of the Customer, or by the Customer or the Customer's business being amalgamated with a corporation or corporations, or wound up or its corporate existence terminated but shall notwithstanding the happening or any such event continue to exist and apply to the full extent as if such event had not happened;

(d) This Charge shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Chargee and all dividends, compositions, proceeds of security valued and payments received by the Chargee from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of any of such Chargees to claim in reduction of his liability, under this Charge the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Chargee or proceeds thereof, and none of such Chargees shall have the right to be subrogated in any rights of the Chargee until the Chargee shall have received payment in full of all liabilities;

(e) All of the moneys hereby secured or intended to be secured hereby shall be deemed to form part of the liabilities and obligations of each such Chargee notwithstanding any lack of limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or suitable entity, or any irregularity, defect or informality in the borrowing or obtaining of such moneys, advances, renewals or creditors, or in the taking or registering of this Charge or any other securities, the whole whether known to the Chargee or not; and all the moneys secured hereby or intended to be secured hereby shall be recoverable from each such Chargee as sole or principal debtor in respect thereof and shall be paid to the Chargee on demand with interest and accessories; and

(f) Each such Chargee shall be bound by any account settled between the Chargee and the Customer, stated and if no such account has been so settled immediately before demand of payment hereunder any account amount which at the date of the account so stated is due by the Customer to the Chargee or remains unpaid by the Customer to the Chargee.

Additional Property Identifier(s) and/or Other Information

Properties

PIN 64107 - 0189 LT
Description LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND
Address HELLEMS AVENUE
WELLAND

Applicant(s)

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

Name STAR TOWERS LTD.
Address for Service 8310 Ninth Line
Norval, ON
LOP 1K0

I, Haroon Rashid, President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

This is Exhibit "J" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Party To(s) Capacity Share

Name ROYAL BANK OF CANADA
Address for Service 36 York Mills Rd, 4th Floor
Toronto, ON
M2P 0A4

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, SN581199 registered on 2019/02/22 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Terrilee Ruth Elaine Walek 1600-Four Robert Speck Pkwy acting for Signed 2019 02 20
Mississauga Applicant(s)
L4Z 1S1

Tel 905-276-9111
Fax 905-276-2298

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

Terrilee Ruth Elaine Walek 1600-Four Robert Speck Pkwy acting for Signed 2019 02 20
Mississauga Party To(s)
L4Z 1S1

Tel 905-276-9111
Fax 905-276-2298

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

Submitted By

KEYSER MASON BALL LLP 1600-Four Robert Speck Pkwy 2019 02 22
Mississauga
L4Z 1S1

Tel 905-276-9111
Fax 905-276-2298

Fees/Taxes/Payment

Statutory Registration Fee \$64.40
Total Paid \$64.40

File Number

Party To Client File Number : DDG/TW 23613-03

ASSIGNMENT OF RENTS

THIS INDENTURE made this 17th day of February, 2019

BETWEEN:

STAR TOWERS LTD.

hereinafter called the "Assignor"

OF THE FIRST PART,

and

Royal Bank of Canada,
OF THE SECOND PART.

hereinafter called the "Assignee"

WHEREAS, by a Mortgage dated the 22nd day of February, 2019 and registered in the Land Registry Office for the Land (Registry/Titles) Division of Niagara South/Niagara (No. 59, which registration number is immediately preceding this registered Notice of Assignment of Rents-General, the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed which Mortgage secures payment of the sum of **Seven Hundred and Seventy-Five Thousand (\$775,000.00) DOLLARS** and interest as therein mentioned and which Mortgage is hereinafter referred to as "the Mortgage". Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable and/or intended to be reserved and payable under, and all advantages and benefits to be derived from, leases of premises erected on the lands and premises more particularly described in Schedule "A" hereto (the "Leases") now or hereafter entered into by the Assignor as landlord with tenants thereof (Lessees) and including without limitation the specific leases referred to in Schedule "B" hereto annexed, as additional security for the payment of the money secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Indenture contained, the Assignee is not to be bound to advance the said mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS INDENTURE WITNESSETH that the Assignor in consideration of the premises, the making of the said Mortgage, and the sum of One (\$1.00) Dollar now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), doth covenant and agree with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all rents reserved and payable under the Leases (including without limitation the specific leases referred to in Schedule "B" hereto annexed) and all benefits and advantages to be derived therefrom, to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee, permit any prepayment of rents payable under any of the Leases that will result in more than two months' of such rents being prepaid under such Leases, or variation, cancellation or surrender of any of the Leases, or of the terms, covenants, provisos or conditions thereof.
3. The Assignor covenants with the Assignee to perform and observe all the covenants, conditions and obligations binding

upon it under the Leases.

4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment and/or for enforcing anything in this Indenture herein contained in any or all of the following ways:

- (a) in its own name;
- (b) in the name of the Assignor, and
- (c) in the names of both the Assignor and the Assignee jointly.

5. The Assignor agrees to assign any of the said Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.

6. PROVIDED, however, that until notified to the contrary in writing the Lessees shall pay the rent reserved under the Leases, (but only to the extent that the same may be due and payable under the Leases) to the said Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Lessee at its premises on the lands and premises described in Schedule "A" hereto or by delivering the same personally to any Lessee, or an officer of such Lessee.

7. The Assignor does hereby declare that any direction or request from the Assignee to pay the rents reserved to the Assignee shall be sufficient warrant and authority to the said Lessee to make such payments, and the payments of the said rentals to the Assignee shall be and operate as a discharge of the said rents to the said Lessee.

8. The Assignor covenants and agrees with the Assignee not to renew nor extend any of the Leases at rentals reserved and payable of lesser amounts than are now reserved and payable under such Leases unless compelled to do so as the result of an Arbitration Award, or with the consent of the Assignee.

9. The Assignee covenants and agrees with the Assignor to release this Assignment of Rents upon payment in full of the Mortgage in accordance with the terms thereof and that the Assignee will, at the request and cost of the Assignor, reassign any unmatured rents to the Assignor. In the absence of such a request the delivery to the Assignor of a discharge or cessation of the Mortgage shall operate as a release and reassignment of such rents.

10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

11. PROVIDED that nothing in this Indenture contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Lessees contained in any of the said Leases, and that the Assignee shall not by virtue of these presents be deemed a mortgagee in possession of the lands and premises described in Schedule "A" hereto and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of these presents.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

13. IT IS HEREBY DECLARED AND AGREED that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

STAR TOWERS LTD.

Per:



Name: Haroon Rashid

Title: President

I have authority to bind the Corporation

Per:

SCHEDULE "A"

Description of Property

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564; WELLAND being the whole of PIN 64107-0189(LT) municipally known as 52-66 Hellems Ave., and 147 Division St., Welland, Ontario (the "Property")

SCHEDULE "B"

LESSEE

LEASE DATE
(MM/DD/YYYY)

EXPIRY DATE
(MM/DD/YYYY)

REGISTRATION NO.

Properties

PIN 46219 - 0085 LT
Description LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES
Address 387 391 ST. PAUL STREET
 ST. CATHARINES

Applicant(s)

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

Name STAR TOWERS LTD.
Address for Service 8310 Ninth Line
 Norval, Ontario
 LOP 1K0

I, Haroon Rashid, Authorized Signing Officer, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

| Party To(s) | Capacity | Share |
|--------------------|-----------------|--------------|
|--------------------|-----------------|--------------|

| | |
|----------------------------|---|
| <i>Name</i> | ROYAL BANK OF CANADA |
| <i>Address for Service</i> | 36 YORK MILLS ROAD, 4TH FLOOR TORONTO, ON M2P 0A4 |

Statements

The applicant applies for the entry of a notice of general assignment of rents.
 This notice may be deleted by the Land Registrar when the registered instrument, NR556534 registered on 2020/11/02 to which this notice relates is deleted
 Schedule: See Schedules

Signed By

| | | | | |
|----------------------------|---|----------------------------|-----------------|------------|
| Terrilee Ruth Elaine Walek | 900-3 Robert Speck Pkwy Mississauga L4Z 2G5 | acting for Applicant(s) | First Signed | 2020 11 02 |
|----------------------------|---|----------------------------|-----------------|------------|

Tel 905-276-9111
 Fax 905-276-2298

| | | | | |
|----------------------------|---|----------------------------|----------------|------------|
| Terrilee Ruth Elaine Walek | 900-3 Robert Speck Pkwy Mississauga L4Z 2G5 | acting for Applicant(s) | Last Signed | 2020 11 19 |
|----------------------------|---|----------------------------|----------------|------------|

Tel 905-276-9111
 Fax 905-276-2298

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

| | | | | |
|----------------------------|---|---------------------------|-----------------|------------|
| Terrilee Ruth Elaine Walek | 900-3 Robert Speck Pkwy Mississauga L4Z 2G5 | acting for Party To(s) | First Signed | 2020 11 02 |
|----------------------------|---|---------------------------|-----------------|------------|

Tel 905-276-9111
 Fax 905-276-2298

| | | | | |
|----------------------------|---|---------------------------|----------------|------------|
| Terrilee Ruth Elaine Walek | 900-3 Robert Speck Pkwy Mississauga L4Z 2G5 | acting for Party To(s) | Last Signed | 2020 11 19 |
|----------------------------|---|---------------------------|----------------|------------|

Tel 905-276-9111
 Fax 905-276-2298

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

Submitted By

| | | | |
|-----------------------|---|--|------------|
| KEYSER MASON BALL LLP | 900-3 Robert Speck Pkwy Mississauga L4Z 2G5 | | 2020 11 19 |
|-----------------------|---|--|------------|

Tel 905-276-9111
 Fax 905-276-2298

Fees/Taxes/Payment

| | |
|----------------------------|---------|
| Statutory Registration Fee | \$65.30 |
| Total Paid | \$65.30 |

File Number

Party To Client File Number : DDG/TW 23613-10



ASSIGNMENT OF RENTS

THIS INDENTURE made this October 28, 2020

BETWEEN: STAR TOWER LTD.

hereinafter called the "Assignor"

OF THE FIRST PART,

AND

ROYAL BANK OF CANADA,

hereinafter called the "Assignee"

OF THE SECOND PART.

WHEREAS, by a Mortgage dated the 28 day of October, 2020 and registered in the Land Registry Office for the Land (Registry/Titles) Division of Niagara North/Niagara (No. 30) as instrument No. directly preceding this Instrument the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed which Mortgage secures payment of the sum of FIVE HUNDRED & SIXTY-TWO THOUSAND, FIVE HUNDRED DOLLARS and interest as therein mentioned and which Mortgage is hereinafter referred to as "the Mortgage". Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable and/or intended to be reserved and payable under, and all advantages and benefits to be derived from, leases of premises erected on the lands and premises more particularly described in Schedule "A" hereto (the "Leases") now or hereafter entered into by the Assignor as landlord with tenants thereof (Lessees) and including without limitation the specific leases referred to in Schedule "B" hereto annexed, as additional security for the payment of the money secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Indenture contained, the Assignee is not to be bound to advance the said mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS INDENTURE WITNESSETH that the Assignor in consideration of the premises, the making of the said Mortgage, and the sum of One (\$1.00) Dollar now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), doth covenant and agree with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all rents reserved and payable under the Leases (including without limitation the specific leases referred to in Schedule "B" hereto annexed) and all benefits and advantages to be derived therefrom, to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee, permit any prepayment of rents payable under any of the Leases that will result in more than two months of such rents being prepaid under such Leases, or variation, cancellation or surrender of any of the Leases, or of the terms, covenants, provisos or conditions thereof.
3. The Assignor covenants with the Assignee to perform and observe all the covenants, conditions and obligations binding upon it under the Leases.
4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment and/or for enforcing anything in this Indenture herein contained in any or all of the following ways:

(a) in its own name;

(b) in the name of the Assignor, and

(c) in the names of both the Assignor and the Assignee jointly.

5. The Assignor agrees to assign any of the said Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.

6. PROVIDED, however, that until notified to the contrary in writing the Lessees shall pay the rent reserved under the Leases, (but only to the extent that the same may be due and payable under the Leases) to the said Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Lessee at its premises on the lands and premises described in Schedule "A" hereto or by delivering the same personally to any Lessee, or an officer of such Lessee.

7. The Assignor does hereby declare that any direction or request from the Assignee to pay the rents reserved to the Assignee shall be sufficient warrant and authority to the said Lessee to make such payments, and the payments of the said rentals to the Assignee shall be and operate as a discharge of the said rents to the said Lessee.

8. The Assignor covenants and agrees with the Assignee not to renew nor extend any of the Leases at rentals reserved and payable of lesser amounts than are now reserved and payable under such Leases unless compelled to do so as the result of an Arbitration Award, or with the consent of the Assignee.

9. The Assignee covenants and agrees with the Assignor to release this Assignment of Rents upon payment in full of the Mortgage in accordance with the terms thereof and that the Assignee will, at the request and cost of the Assignor, reassign any unmatured rents to the Assignor. In the absence of such a request the delivery to the Assignor of a discharge or cessation of the Mortgage shall operate as a release and reassignment of such rents.

10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

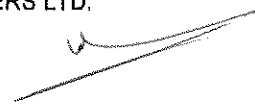
11. PROVIDED that nothing in this Indenture contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Lessees contained in any of the said Leases, and that the Assignee shall not by virtue of these presents be deemed a mortgagee in possession of the lands and premises described in Schedule "A" hereto and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of these presents.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

13. IT IS HEREBY DECLARED AND AGREED that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED
STAR TOWERS LTD.

Per: 

Haroon Rashid, President

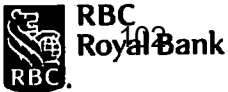
Per: _____

SCHEDULE "A"
Legal Description

**LT 378 CP PL 2 GRANTHAM, ST. CATHARINES being the whole of PIN 46219-0085 (LT)
municipally known as 387-389-391 ST. PAUL STREET, ST CATHARINES, ONTARIO (the "Property")**

SCHEDULE "B"

| LESSEE | LEASE DATE (MM/DD/YYYY) | EXPIRY DATE (MM/DD/YYYY) | REGISTRATION NO. |
|--------|-------------------------|--------------------------|------------------|
| | | | |



This is Exhibit "K" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

FORM 460 (Rev 11/2020) O

ROYAL BANK OF CANADA CREDIT AGREEMENT

DATE: April 28, 2021

BORROWER:

Commissioner for Taking Affidavits (or as may be)

2141239 ONTARIO INC.

Spencer Jones

SRF:

540775889

ADDRESS (Street, City/Town, Province, Postal Code)

8310 9TH LINE
HALTON HILLS, ON L0P 1K0

Royal Bank of Canada (the "**Bank**") hereby confirms to the undersigned (the "**Borrower**") the following credit facilities (the "**Credit Facilities**"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "**Agreement**"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

CREDIT FACILITIES

Facility #1 Revolving demand facility in the amount of \$150,000.00, available by way of RBP based loans.

Minimum retained balance \$0.00

Revolved by the Borrower in increments of \$500.00

Interest rate: RBP + 3.00% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.

Margined: Yes [] No [X]

OTHER FACILITIES

The Credit Facilities are in addition to the following facilities (the "**Other Facilities**"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

a) Credit Card to a maximum amount of \$50,000.00.

SECURITY

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases, if applicable, (collectively, the "**Security**"), shall include:

- a) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$140,000.00 signed by Haroon Rashid;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$200,000.00 signed by Haroon Rashid;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$140,000.00 signed by Star Towers Ltd.;
- d) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- e) Postponement and assignment of claim on the Bank's form 918 signed by Haroon Rashid;
- f) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$200,000.00 signed by Star Towers Ltd., supported by a general security agreement on the Bank's form 924 constituting a second ranking security interest in all personal property of Star Towers Ltd. located at, used in connection with or arising from the property located at 52-66 Hellems Avenue & 147 Division Street, Welland, Ontario and further supported by a collateral mortgage in the amount of \$775,000.00 constituting a first fixed charge on the lands and improvements located at 52-66 Hellems Avenue & 147 Division Street, Welland, Ontario.

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Upon receipt of the security described in paragraphs b) and f) above, in form and substance satisfactory to the Bank, together with such legal opinions and any other supporting documentation as the Bank may reasonably require, to the full satisfaction of the Bank, such security will replace the security described in paragraphs a) and c) above.

FEES

Annual renewal fee of \$200.00 payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Facility #1 management fee of \$15.00 payable in arrears on the same day each month.

REPORTING REQUIREMENTS

The Borrower will provide to the Bank:

- a) annual notice to reader financial statements for the Borrower and Star Towers Ltd., within 90 days of each fiscal year end;
- b) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2022;
- c) such other financial and operating statements and reports as and when the Bank may reasonably require.

BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

STANDARD TERMS

The following standard terms have been provided to the Borrower:

- Form 472 (11/2020) Royal Bank of Canada Credit Agreement - Standard Terms
- Form 473 (02/2020) Royal Bank of Canada Credit Agreement - Margined Accounts Standard Terms
- Form 473A (10/2017) Royal Bank of Canada Credit Agreement - RBC Covarity Terms and Conditions
- Form 473B (02/2020) Royal Bank of Canada Credit Agreement - Margined Accounts Standard Terms

ACCEPTANCE

This Agreement is open for acceptance until May 28, 2021, after which date it will be null and void, unless extended by the Bank in its sole discretion.

ROYAL BANK OF CANADA



Per: _____
Title: Vice President

RBC Contact: JASMEET TAAK

/pg

CONFIRMATION & ACCEPTANCE

The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 29 day of APRIL, 2021.

2141239 ONTARIO INC.

Per: _____
Name: HANSON PRASAD
Title: PRESIDENT

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower

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The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

AVAILABILITY

Revolving facilities: The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

Non-revolving facilities: The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "General Account") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand

and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.

- j) In the case of any reducing term loan and/or reducing term facility (“Reducing Term Loan/Facility”), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank’s option, the Bank may provide a letter (“Renewal Letter”) to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank’s option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank’s prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower’s agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
- (i) the amount equal to three (3) months’ interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
 - (ii) the present value of the cash flow associated with the difference between the Bank’s original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;
- plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank’s original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;
- plus:
- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower’s obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the “Accounts”) evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.

- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

AMENDMENTS AND WAIVERS

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period

to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

SET-OFF

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

CONSENT OF DISCLOSURE

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

JOINT AND SEVERAL / SOLIDARY

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

EVENTS OF DEFAULT

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

FEF CONTRACTS

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;

- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.

EXCHANGE RATE FLUCTUATIONS

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

LANGUAGE

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

WHOLE AGREEMENT

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

NOTICES

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

COUNTERPART EXECUTION

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

ELECTRONIC MAIL AND FAX TRANSMISSION

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

ELECTRONIC IMAGING

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

CONFIDENTIALITY

This Agreement and all of its terms are confidential ("Confidential Information"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

DEFINITIONS

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

"**Business Day**" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

“**Business Loan Insurance Plan**” means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

“**Capital Expenditures**” means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

“**Contaminant**” includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

“**Corporate Distributions**” means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

“**Current Assets**” means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

“**Current Liabilities**” means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

“**Current Ratio**” means the ratio of Current Assets to Current Liabilities;

“**Debt Service Coverage**” means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

“**EBITDA**” means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

“**Environmental Activity**” means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

“**Environmental and Health and Safety Laws**” means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

“**Equivalent Amount**” means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

“**Equity**” means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

“**Financial Assistance**” means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

“**Fixed Charge Coverage**” means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

“**Fixed Charges**” means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

“**Foreign Exchange Forward Contract**” or “**FEF Contract**” means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

“**Funded Debt**” means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

“**Guarantor**” means any Person who has guaranteed the obligations of the Borrower under this Agreement;

“**Lease**” means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

“**Interest Expense**” means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances.

“**Investment**” means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

“**Letter of Credit**” or “**LC**” means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

“**Letter of Guarantee**” or “**LG**” means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

“**Margin**” or “**Margined**” means that the availability of Borrowings under the credit facilities will be based on the Borrower’s level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

“**Overdraft**” means advances of credit by way of debit balances in the Borrower’s current account;

“**Permitted Encumbrances**” means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

“**Person**” includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

“**Policy**” means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

“**Postponed Debt**” means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

“**Potential Prior-Ranking Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

“**RBP**” and “**Royal Bank Prime**” each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

“**RBUSBR**” and “**Royal Bank US Base Rate**” each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

“**Release**” includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

“**Tangible Net Worth**” means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

“**Total Liabilities**” means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

“**Unfunded Capital Expenditures**” means Capital Expenditures not funded by either bank debt or equity proceeds.

“**US**” means United States of America.



This is Exhibit "L" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Royal Bank of Canada
General Security Agreement

SRF: 540775889
Borrower: 2141239 ONTARIO INC.

9300 BATHURST ST
2ND FLR
MAPLE
ONTARIO
L6A 4N9
CA

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

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(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

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So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

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- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if

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Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the

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representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any

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Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to

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RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

16. Debtor represents and warrants that the following information is accurate:

BUSINESS DEBTOR

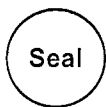
| | | | |
|---|----------------------|---------------------|-----------------------|
| NAME OF BUSINESS DEBTOR 2141239 ONTARIO INC. | | | |
| ADDRESS OF BUSINESS DEBTOR 8310 9TH LINE | CITY HALTON HILLS | PROVINCE ONTARIO | POSTAL CODE L0P1K0 |

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 29 day July 2019

2141239 ONTARIO INC.

Jaramita
WITNESSES

[Signature]



WITNESSES



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SCHEDULE "A"
(ENCUMBRANCES AFFECTING COLLATERAL)

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SCHEDULE "B"**1. Locations of Debtor's Business Operations**

8310 9TH LINE,
HALTON HILLS
ONTARIO
CA
L0P1K0

2. Locations of Records relating to Collateral

8310 9TH LINE,
HALTON HILLS
ONTARIO
CA
L0P1K0

3. Locations of Collateral

8310 9TH LINE,
HALTON HILLS
ONTARIO
CA
L0P1K0

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SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

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This is Exhibit "M" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Royal Bank of Canada Guarantee and Postponement of Claim

SRF: 334322930
Borrower: STAR TOWERS LTD.

9300 BATHURST ST
2ND FLR
MAPLE
ONTARIO
L6A 4N9
CA

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **STAR TOWERS LTD.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$775,000.00** together with interest thereon from the date of demand for payment at a rate equal to the **Bank's Prime Interest Rate plus 5.00 percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

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(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

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be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ONTARIO ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all P.F.S.A. except Ontario.) (18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

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EXECUTED this January 23, 2019
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF 
Witness Signature: 
Name: HAROON RASHID

PREJNA ERINHIRKAL
Name:

Insert the full name and address of Guarantor (Undersigned above).

Full name and address

HAROON RASHID
8310 NINTH LINE
NORVAL
ONTARIO
L0P1K0
CA

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GUARANTEE OF CHARGE

IN CONSIDERATION of Royal Bank of Canada (the "Chargee") making loans, advances or other extensions of credit (collectively, a "Loan") to:

STAR TOWERS LTD

(individually or collectively, as the context may require, the "Chargor") secured by a charge the particulars of which are set out in Schedule "A" hereto (as the same may be amended, supplemented, modified, varied, extended, renewed or replaced at any time and from time to time, the "Charge") charging the lands and premises more particularly described in the Charge (the "Charged Premises"), and for other good and valuable consideration, each of the undersigned (each, a "Guarantor") hereby agrees with the Chargee as follows.

1. Guarantee and Covenant. Each Guarantor hereby:

- (a) guarantees the payment by the Chargor to the Chargee of all debts and liabilities of the Chargor secured by or payable under the Charge and/or under any other agreement or instrument, if any, evidencing a Loan (each, a "Loan Document"), present or future, direct or indirect, absolute or contingent, matured or not, including without limitation principal, interest, taxes, fees and expenses, as and when the same are due and payable under the Charge, (the "Guaranteed Amounts"); and
- (b) covenants and agrees to observe and perform all other covenants and obligations of the Chargor under the Charge as and when the same are required to be observed or performed under the Charge (the "Guaranteed Covenants");

in each case without any demand required to be made. The obligations of the Chargor to pay the Guaranteed Amounts and perform and observe the Guaranteed Covenants are hereinafter collectively referred to as the "Guaranteed Obligations."

2. Obligations Joint and Several. If there is more than one Guarantor, the obligations of the Guarantors hereunder shall be joint and several; and any reference herein to the "Guarantor" is to each and every such Guarantor.

3. Principal Debtor. If any moneys or amounts expressed to be owing or payable under this Guarantee by the Guarantor are not recoverable from the Guarantor or any of them on the footing of a guarantee for any reason whatever, such moneys or amounts may be recovered from the Guarantor or any of them as a primary obligor and principal debtor in respect of such moneys or amounts regardless of whether such moneys or amounts are recoverable from the Chargor or would be payable by the Chargor to the Chargee. For greater certainty, but without restricting the generality of the foregoing, if the Chargee is prevented or restricted from exercising its rights or remedies with respect to any of the Guaranteed Obligations including without limitation the right of acceleration, the right to be paid interest at the rate or rates agreed to by the Chargor in respect of the Guaranteed Obligations or the right to enforce or exercise any other right or remedy with respect to the Guaranteed Obligations, the Guarantor agrees to pay the amount that would otherwise have been due and payable had the Chargee been permitted to exercise such rights and remedies in accordance with the terms agreed to between the Chargor and the Chargee. Provided however that the foregoing characterization of the liability of the Guarantor as that of a primary obligor and principal debtor is not intended and shall not be interpreted to confer on the Guarantor or any of them any right, benefit or advantage that the Guarantor would not otherwise have in the absence of such characterization.

4. Right to Prepay. The Interest Act (Canada) and the Mortgages Act (Ontario) each permits the prepayment of charges with three (3) months further interest once five (5) years have elapsed from the date of the charge. Each Guarantor acknowledges and agrees that:

- (1) the Guarantor, if an individual, waives such statutory rights and agrees that he or she shall not be considered a "person liable to pay or entitled to redeem" the Charge within the meaning of subsection 10(1) of the Interest Act (Canada) or subsection 18(1) of the Mortgages Act (Ontario); and
- (2) if it is determined by a court of competent jurisdiction that notwithstanding subsection (a) the Guarantor is entitled to exercise these statutory rights, then for purposes of these statutory rights only, the date of the Charge, if renewed or extended, will be the renewal or extension date stipulated in the applicable renewal or extension agreement relating to

the most recent renewal or extension of the Charge and not the original date of the Charge or some other earlier date.

5. Actions Not to Affect Liability. Without giving notice to or obtaining the consent or concurrence of any Guarantor, the Chargee may:

- (1) grant any time, indulgences, waivers or extensions of time for payment or performance of any of the Guaranteed Obligations;
- (2) grant any renewals or extensions of the Charge, with or without a change in the rate of interest or in any other term or condition of the Charge and whether by express agreement signed by the Chargor or otherwise (including without limitation by way of an automatic renewal or extension);
- (3) change the rate or rates of interest provided in the Charge, either during the initial term thereof or in any subsequent extension or renewal term, whether by way of increase, decrease, change in the reference rate by which such rate is calculated or determined, change from a fixed rate to a variable or floating rate or from a variable or floating rate to a fixed rate, or otherwise;
- (4) shorten or lengthen the amortization period of the Charge;
- (5) otherwise amend, supplement, modify, vary, or otherwise change any of the terms or conditions of the Charge in any manner whatever;
- (6) release or discharge from the mortgage or charge constituted by the Charge the whole or any part of the Charged Premises or any other security for the Loan;
- (7) advance additional principal amounts to the Chargor pursuant to any provision of the Charge or any Loan Document that permits the Chargor to borrow such additional principal amounts from the Chargee, including without limitation, principal amounts borrowed or re-borrowed under a revolving line of credit or other revolving credit facility;
- (8) permit the Chargor to prepay the Loan in whole or in part or to skip one or more scheduled instalments of principal and interest or to pay more than one such scheduled instalment on a scheduled payment date under the Charge, whether pursuant to a provision of the Charge or Loan Document that permits such prepayment, skipping or multiple payments or otherwise;
- (9) accept compositions, compromises or proposals from the Chargor or otherwise deal with the Chargor or any other person (including without limitation the Guarantor or any other guarantor of the Guaranteed Obligations), any security (including without limitation the Charge) or the Charged Premises or any security as the Chargee sees fit, including without limitation, realizing on, releasing, accepting substitutions for or replacing any of the security for the Loan;
- (10) release or discharge any Guarantor or one or more other co-covenantors or guarantors or Chargors in respect of the Charge whether under this Guarantee or otherwise; or
- (11) release any subsequent legal or beneficial owner of the Charged Premises from any liability for the Guaranteed Obligations or any of them or refrain from requiring any such owner to assume any such liability;

and none of the foregoing actions shall in any way lessen, limit or otherwise affect the obligations or liability of any Guarantor under this Guarantee, regardless of whether any such action has the effect of amending or varying the Charge or increasing, expanding or otherwise altering the nature, effect, term extent or scope of the Guaranteed Obligations. The Guaranteed Obligations and the liability of each Guarantor hereunder shall extend to and include the obligations of the Chargor under the Charge as so amended, renewed, extended or varied and the Guaranteed Obligations as so increased, expanded or altered without further action on the part of the Chargee or the consent or concurrence of any Guarantor; and for greater certainty and without limiting the foregoing, if any rate of interest provided in the Charge is increased or otherwise altered, the Guaranteed Obligations and the liability of each Guarantor hereunder shall be extend to and include the obligation of the Chargor to pay interest at such increased or altered rate.

6. Obligations Unaffected. The obligations of the Guarantor hereunder shall be unaffected by:

- (1) any lack or limitation of status or power, disability, incapacity, death, dissolution or other

circumstances relating to the Chargor or any Guarantor or any other party;

- (2) any irregularity, defect, unenforceability or invalidity in respect of the Loan or the Charge or any indebtedness, liability or other obligation of the Chargor or any other party, including without limitation any defect in title to the Charged Premises;
- (3) any release or discharge of the Guaranteed Obligations except by reason of their irrevocable payment and satisfaction in full;
- (4) any judgment obtained against the Chargor, or the taking, enforcing, exercising or realizing on, or refusing or neglecting to take, enforce, exercise or realize on, or negligence in taking, enforcing, exercising or realizing on, any security (including without limitation the Charge and any money on deposit and any guarantee) or any right or remedy, from or against the Chargor or any other party or their respective assets or releasing or discharging, or failing, refusing or neglecting to maintain, protect, renew or perfect any security (including without limitation any money on deposit or any guarantee) or any right or remedy;
- (5) any change in the name, control, objects, business, assets, capital structure, or constitution of the Chargor or any Guarantor or any merger or amalgamation of the Chargor or any Guarantor with any party or parties, any continuance of the Chargor or any Guarantor under the laws of a jurisdiction other than the jurisdiction under which the Chargor or Guarantor was originally formed, or any change in the membership of the Chargor or any Guarantor, if a partnership, through the death, retirement or introduction of one or more partners, or otherwise; and each reference to the "Chargor" or the "Guarantor" in this Guarantee will be deemed to include each corporation and each partnership resulting from any of the foregoing;
- (6) any law, regulation or decree now or hereafter in effect which might in any manner affect any of the terms or provisions of the Charge or this Guarantee or the Chargor or any Guarantor;
- (7) any failure on the part of the Chargee to perfect, maintain or enforce its rights whether due to its default, negligence or otherwise on the part of the Chargee with respect to the Charge, or any other security granted to the Chargee relating to the Charge or the Loan; and
- (8) any other circumstances whatsoever (with or without notice to or the knowledge of the Guarantor) which may or might in any manner or to any extent vary the risk of the Guarantor hereunder, or might otherwise constitute a legal or equitable discharge of a surety or guarantor;

it being the purpose and intent of each Guarantor that the liabilities and obligations of each Guarantor under this Guarantee shall be absolute and unconditional under any and all circumstances.

7. **Waiver of Subrogation.** Unless and until all the Guaranteed Obligations have been irrevocably paid and satisfied in full, the Guarantor shall not be subrogated to any of the rights or claims of the Chargee in respect of any of the Guaranteed Obligations, or under any security agreement or guarantee or other instrument which may at any time be held by or on behalf of the Chargee, and the Guarantor shall not seek any reimbursement from the Chargor.
8. **Continued Effectiveness and Reinstatement of Obligations.** The obligations of the Guarantor under this Guarantee shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment which would otherwise have reduced the obligations of the Guarantor or any of them under this Guarantee (whether such payment shall have been made by or on behalf of the Chargor or the Guarantor or any of them) is rescinded, or is reclaimed from the Chargee, upon the insolvency, bankruptcy, liquidation, dissolution or reorganization of the Chargor or the Guarantor or any of them, or for any other reason. For greater certainty, if the Guaranteed Obligations include obligations of the Chargor under a revolving line of credit or other revolving facility, this Guarantee shall cover all obligations of the Chargor outstanding thereunder from time to time, whether or not the Chargor has increased or reduced the same by borrowing, repaying and reborrowing all or any portion of a Loan; and the obligations of the Guarantor under this Guarantee shall not be discharged or extinguished by reason only of the fact that the outstanding principal balance of the Loan under such revolving line of credit or facility shall have been repaid in full and additional amounts are subsequently reborrowed.
9. **No Obligation to Enforce.** The Chargee shall have no obligation to enforce any rights or remedies or security or guarantees or to take any other steps against the Chargor or any other party or any assets of the Chargor (including without limitation the Charged Premises) or of any

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other party before being entitled to demand payment or performance by any Guarantor of its obligations under this Guarantee.

- 10. **Termination of Liabilities.** Any Guarantor may, by notice in writing delivered to the manager of the branch or agency of the Chargee receiving this instrument, terminate his, her or its liability under this Guarantee with effect from and after the date (the "termination date") that is 30 days following the date of such notice, in respect of Guaranteed Obligations incurred or arising at any time on or after the termination date but not in respect of any Guaranteed Obligations incurred, arising or existing before the termination date, even though not then matured; provided that such termination of liability shall extend only to Guaranteed Obligations that relate to the payment of principal of and interest on Loans made to the Chargor on or after the termination date but not to any other Guaranteed Obligations, whensoever incurred, arising or existing. Notwithstanding the foregoing, the Chargee may fulfil any requirements of the Chargor under the Charge or any Loan Document requested by the Chargor prior to the receipt of such notice, and any liabilities of the Chargor resulting from such fulfillment shall be added to the Guaranteed Obligations and shall be covered by this Guarantee. Termination of the liability of one or more of the Guarantors shall not affect the liability of any other Guarantor.
- 11. **Indemnity.** Each Guarantor shall indemnify and save harmless the Chargee from and against all losses, damages, costs and expenses which the Chargee may sustain, incur or become liable for by reason of:
 - (1) the failure, for any reason whatever, of the Chargor to pay any amounts expressed to be payable pursuant to the provisions of the Charge or any Loan Document, regardless of whether the Chargor's obligation to pay such amounts is valid or enforceable against the Chargor;
 - (2) the failure, for any reason whatever of the Chargor to perform any other obligation under the Charge, any Loan Document or any other security for the Loan; or
 - (3) any act, action or proceeding of or by the Chargee for or in connection with the recovery of such amounts or the performance of such obligations.
- 12. **Non-Execution by Other Parties.** This Guarantee shall be operative and binding upon every signatory hereto upon its execution and delivery by such signatory regardless of whether it has been executed by any other proposed signatory or signatories.
- 13. **Successors and Assigns.** This Guarantee shall extend to and enure to the benefit of the Chargee and its successors and assigns and shall be binding upon each Guarantor and his/her heirs, executors, administrators, legal representatives, successors and assigns.
- 14. **Choice of Law and Submission to Jurisdiction.** This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario. Each Guarantor irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario.
- 15. **Severability.** If any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Guarantee, or the legality, validity or enforceability of that provision in any other jurisdiction.
- 16. **Headings.** The division of this Guarantee into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Guarantee. Unless otherwise specified, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 17. **Receipt of Copy.** Each Guarantor hereby acknowledges receipt of a copy of this Guarantee, the Charge and the Standard Charge Terms referred to in Schedule "A" hereto.

IN WITNESS WHEREOF each Guarantor has executed this Guarantee under seal on

| | | |
|----------|-----------|--------|
| February | <u>14</u> | 2019 |
| (month) | (day) | (year) |



 HAROON RASHID

Schedule "A"

Description of Charge

Note: The following is a summary of the terms of the Charge as of the date of this Guarantee. These terms may be amended or modified without notice to the Guarantor without affecting the obligations of the Guarantor under this Guarantee, as is more particularly provided in the Guarantee. The definition of "Charge" in the Guarantee includes any such amendments or modifications.

- Chargee: Royal Bank of Canada
- Royal Trust Corporation of Canada
- The Royal Trust Company trustee under Plan No.

Chargor(s):

STAR TOWERS LTD.

Principal amount: \$775,000.00

Initial Term: 12 MONTHS

Amortization Period: 300 MONTHS

Interest rate (Charge Rate):

- Fixed, at % per annum
- Variable:
- X Prime Rate* plus 5.0% per annum

Charged Premises:

Municipal address: 52-66 Hellems Ave. and 147 Division St., Welland, Ontario

Legal description:

LT1 S/S OF DIVISION ST (DIFFIN BLK) PL 564; WELLAND

Standard Charge Terms incorporated by reference in the Charge:

Filed by: Royal Bank of Canada / Royal Trust Corporation of Canada

Filing No.: X 20015

Filing No.: 976

*As defined in the Charge.



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
334322930

BRANCH ADDRESS:
9300 BATHURST ST
2ND FLR
MAPLE, ON
L6A 4N9

BORROWER:
STAR TOWERS LTD.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **STAR TOWERS LTD.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$562,500.00 Five Hundred Sixty-Two Thousand Five Hundred Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in

any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable in all P.P.S.A Provinces.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 28 day of OCTOBER, 2020

x Jammit [Signature]
WITNESS

[Signature]
HAROON RASHID

Insert the full name and address of guarantor (Undersigned above):

| Full name and address |
|------------------------------------|
| HAROON RASHID |
| 8310 NINTH LINE, NORVAL ON LOP 1K0 |



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
540775889

BORROWER:
2141239 ONTARIO INC.

This is Exhibit "N" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

BRANCH ADDRESS:
9300 BATHURST ST
2ND FLR
MAPLE, ON
L6A 4N9

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **2141239 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$200,000.00 Two Hundred Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to **the Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

- (1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
- (2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.
- (3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.
- (4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.
- (5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

- (6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may


bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 29 day of April, 2021

STAR TOWERS LTD.



Insert the full name and address of guarantor (Undersigned above).

| Full name and address |
|---|
| HANSON MASHAY 8310 NINTZI LANE NOWHE, ON LOPIKO |

(Applicable in all P.F.S.A Provinces.)


bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this ___ day of _____, _____.

STAR TOWERS LTD.



Insert the full name and address of guarantor (Undersigned above).

| Full name and address |
|--|
| HIAKOMA (MASHU) 8310 NINTZI LIMBE NOUNWE, ON LOP IKO |



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
540775889

BRANCH ADDRESS:
9300 BATHURST ST
2ND FLR
MAPLE, ON
L6A 4N9

BORROWER:
2141239 ONTARIO INC.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **2141239 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$200,000.00 Two Hundred Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to **the Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all P.P.S.A Provinces)

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 29 day of April, 2021.

WITNESS

HARON RASHID

Insert the full name and address of guarantor (Undersigned above).

| Full name and address | |
|-----------------------|----------------------------------|
| HARON RASHID | 8310 NINTH LINE NORVAL OIL LOPKO |

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 29 day of April, 2021.

BR

WITNESS

HARON RASHID

HARON RASHID

Insert the full name and address of guarantor (Undersigned above).

| Full name and address |
|--|
| HARON RASHID 8310 NINTH LINE, NONGAL OIS LOP 1KO |

(Applicable in all P.P.S.A Provinces.)

Enquiry Result

File Currency: 03NOV 2024

This is Exhibit "O" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Spencer Jones

Note: All pages have been returned.

All Pages



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|---------------------|----------------------|--------|-------------|------|----------|-------------|--------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | 2141239 ONTARIO INC. | | | | | | |
| File Currency | 03NOV 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 753789258 | 1 | 1 | 1 | 2 | 26JUL 2029 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|-------------|----------------|---------|-------------|------------------------|-------------------------|------------------|---------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 753789258 | | 01 | 001 | | 20190726 1439 1530 8079 | P PPSA | 5 |

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|-------------------|---------------|------------------|---------|---------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|-----------------|----------------------|----------------------------|----------|-------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | 2141239 ONTARIO INC. | | | |
| | Address | City | Province | Postal Code |
| | 8310 9TH LINE | HALTON HILLS | ON | L0P 1K0 |

| | | | | |
|-------------------|---------------|------------------|---------|---------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

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|-----------------|----------------------|----------------------------|----------|-------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

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|---------------|-------------------------------|---------|----------|-------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | ROYAL BANK OF CANADA | | | |
| | Address | City | Province | Postal Code |
| | 36 YORK MILLS ROAD, 4TH FLOOR | TORONTO | ON | M2P 0A4 |

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|---------------------------|----------------|-----------|-----------|----------|-------|------------------------|--------|---------------------|------------------------|
| 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 | | | |

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

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|--------------------------------|--------------------------------|
| General Collateral Description | General Collateral Description |
| | |
| | |

| Registering Agent | Registering Agent | | | |
|-------------------|--|---------|----------|-------------|
| | CANADIAN SECURITIES REGISTRATION SYSTEMS | | | |
| 145 | Address | City | Province | Postal Code |
| | 4126 NORLAND AVENUE | BURNABY | BC | V5G 3S8 |

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| Type of Search | Business Debtor |
| Search Conducted On | 2141239 ONTARIO INC. |

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| File Currency | 03NOV 2024 |
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| File Number | Family | of Families | Page | of Pages |
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| 753789258 | 1 | 1 | 2 | 2 |

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

| Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number | Registered Under |
|----------------|---------|-------------|---------------------------------|-------------------------|------------------|
| | 001 | 1 | | 20240628 0822 1532 7142 | |

| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | Renewal Years | Correct Period |
|-------------------|-------------|--------------|--------------------------|-----------------|---------------|----------------|
| | 753789258 | | | B RENEWAL | 5 | |

| Reference Debtor/ Transferor | First Given Name | Initial | Surname |
|------------------------------|------------------|---------|---------|
| | | | |

| | |
|-----------------------------|----------------------|
| Business Debtor Name | 2141239 ONTARIO INC. |
|-----------------------------|----------------------|

| | |
|---------------------|---------------------|
| Other Change | Other Change |
| | |

| | |
|-----------------------------|-----------------------------|
| Reason / Description | Reason / Description |
| | |
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| Debtor/ Transferee | Date of Birth | First Given Name | Initial | Surname |
|--------------------|---------------|------------------|---------|---------|
| | | | | |

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|-----------------------------|-----------------------------------|
| Business Debtor Name | Ontario Corporation Number |
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|----------------|-------------|-----------------|--------------------|
| Address | City | Province | Postal Code |
| | | | |

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|----------------------|----------------------|
| Assignor Name | Assignor Name |
| | |

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|----------------------|---|
| Secured Party | Secured party, lien claimant, assignee |
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|----------------|-------------|-----------------|--------------------|
| Address | City | Province | Postal Code |
| | | | |

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

| Motor Vehicle Description | Year | Make | Model | V.I.N. |
|---------------------------|------|------|-------|--------|
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|---------------------------------------|---------------------------------------|
| General Collateral Description | General Collateral Description |
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|--------------------------|--|
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant |
| | D + H LIMITED PARTNERSHIP |

| | Address | City | Province | Postal Code |
|-----|------------------------------------|-------------|----------|-------------|
| 147 | 2 ROBERT SPECK PARKWAY, 15TH FLOOR | MISSISSAUGA | ON | L4Z 1H8 |

LAST PAGE

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Enquiry Result

File Currency: 03NOV 2024

This is Exhibit "P" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Note: All pages have been returned.

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|---------------------|------------------|--------|-------------|------|----------|-------------|--------|
| Type of Search | Business Debtor | | | | | | |
| Search Conducted On | STAR TOWERS LTD. | | | | | | |
| File Currency | 03NOV 2024 | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status |
| | 747697887 | 1 | 3 | 1 | 5 | 18JAN 2029 | |

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

| | | | | | | | |
|-------------|----------------|---------|-------------|------------------------|-------------------------|------------------|---------------------|
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period |
| 747697887 | | 01 | 001 | | 20190118 1936 1531 9644 | P PPSA | 5 |

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|-------------------|---------------|------------------|---------|---------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

| | | | | |
|-----------------|----------------------|----------------------------|----------|-------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | STAR TOWERS LTD. | | | |
| | Address | City | Province | Postal Code |
| | 8310 NINTH LINE | NORVAL | ON | L0P 1K0 |

| | | | | |
|-------------------|---------------|------------------|---------|---------|
| Individual Debtor | Date of Birth | First Given Name | Initial | Surname |
| | | | | |

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|-----------------|----------------------|----------------------------|----------|-------------|
| Business Debtor | Business Debtor Name | Ontario Corporation Number | | |
| | | | | |
| | Address | City | Province | Postal Code |
| | | | | |

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|---------------|-------------------------------|---------|----------|-------------|
| Secured Party | Secured Party / Lien Claimant | | | |
| | ROYAL BANK OF CANADA | | | |
| | Address | City | Province | Postal Code |
| | 36 YORK MILLS ROAD, 4TH FLOOR | TORONTO | ON | M2P 0A4 |

| | | | | | | | | | |
|---------------------------|----------------|-----------|-----------|----------|-------|------------------------|--------|---------------------|------------------------|
| 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 | | | |

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

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|--------------------------------|--------------------------------|
| General Collateral Description | General Collateral Description |
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| | |

| Registering Agent | Registering Agent | | | |
|-------------------|--|---------|----------|-------------|
| | CANADIAN SECURITIES REGISTRATION SYSTEMS | | | |
| 149 | Address | City | Province | Postal Code |
| | 4126 NORLAND AVENUE | BURNABY | BC | V5G 3S8 |

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| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 150 STAR TOWERS LTD. | | | | | | | | |
| File Currency | 03NOV 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | | | | | of Pages |
| | 747697887 | 1 | 3 | 2 | | | | | 5 |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT | | | | | | | | | |
| | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number | | | Registered Under | |
| | | 001 | 1 | | 20240102 0844 1532 2205 | | | | |
| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | Renewal Years | Correct Period | | | |
| | 747697887 | | | B RENEWAL | 5 | | | | |
| Reference Debtor/ Transferor | First Given Name | | | Initial | Surname | | | | |
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| | Business Debtor Name | | | | | | | | |
| | STAR TOWERS LTD. | | | | | | | | |
| Other Change | Other Change | | | | | | | | |
| | | | | | | | | | |
| Reason / Description | Reason / Description | | | | | | | | |
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| | | | | | | | | | |
| Debtor/ Transferee | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| | Business Debtor Name | | | | | | | Ontario Corporation Number | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Assignor Name | Assignor Name | | | | | | | | |
| | | | | | | | | | |
| Secured Party | Secured party, lien claimant, assignee | | | | | | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
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| Motor Vehicle Description | Year | Make | | | Model | | V.I.N. | | |
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| General Collateral Description | General Collateral Description | | | | | | | | |
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| Registering Agent | Registering Agent or Secured Party/ Lien Claimant | | | | | | | | |
| | D + H LIMITED PARTNERSHIP | | | | | | | | |

| | Address | City | Province | Postal Code |
|-----|------------------------------------|-------------|----------|-------------|
| 151 | 2 ROBERT SPECK PARKWAY, 15TH FLOOR | MISSISSAUGA | ON | L4Z 1H8 |

END OF FAMILY

| | | | | | | | | | |
|---|---|------------------|-------------|------------------------|-------------------------|----------------------------|---------------------|---------------------|------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 152 STAR TOWERS LTD. | | | | | | | | |
| File Currency | 03NOV 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 748179639 | 2 | 3 | 3 | 5 | 07FEB 2029 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 748179639 | | 001 | 1 | | 20190207 1009 1590 9560 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | STAR TOWERS LTD. | | | | | 2507623 | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 8310 NINTH LINE, R.R. 201 | | | | NORVAL | ON | L0P 1K0 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | ROYAL BANK OF CANADA | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 36 YORK MILLS ROAD, 4TH FLOOR | | | | TORONTO | ON | M2P 0A4 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | X | X | | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | GENERAL ASSIGNMENT OF RENTS FOR PROPERTY LOCATED AT 52-66 HELLEMS AVE. AND 147 DIVISION ST., WELLAND, ONTARIO | | | | | | | | |
| | | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | KEYSER MASON BALL, MISSISSAUGA LAWYERS | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 1600-FOUR ROBERT SPECK PARKWAY | | | | MISSISSAUGA | ON | L4Z 1S1 | | |

CONTINUED

| | | | | | | | | | |
|--|---|------------------|--------------------------|---------------------------------|-------------------------|------------------------|-------------|----------------------------|------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 153 STAR TOWERS LTD. | | | | | | | | |
| File Currency | 03NOV 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | | | | | of Pages |
| | 748179639 | 2 | 3 | 4 | | | | | 5 |
| FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT | | | | | | | | | |
| | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule Attached | Registration Number | | | Registered Under | |
| | | 001 | 1 | | 20240123 0924 1532 7225 | | | | |
| Record Referenced | File Number | Page Amended | No Specific Page Amended | Change Required | Renewal Years | Correct Period | | | |
| | 748179639 | | | B RENEWAL | 5 | | | | |
| Reference Debtor/ Transferor | First Given Name | | | Initial | Surname | | | | |
| | | | | | | | | | |
| | Business Debtor Name | | | | | | | | |
| | STAR TOWERS LTD. | | | | | | | | |
| Other Change | Other Change | | | | | | | | |
| | | | | | | | | | |
| Reason / Description | Reason / Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Debtor/ Transferee | Date of Birth | First Given Name | | | Initial | Surname | | | |
| | | | | | | | | | |
| | Business Debtor Name | | | | | | | Ontario Corporation Number | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Assignor Name | Assignor Name | | | | | | | | |
| | | | | | | | | | |
| Secured Party | Secured party, lien claimant, assignee | | | | | | | | |
| | | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | | | | | | | | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | | | | | | |
| Motor Vehicle Description | Year | Make | | | Model | | | V.I.N. | |
| | | | | | | | | | |
| | | | | | | | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Registering Agent | Registering Agent or Secured Party/ Lien Claimant | | | | | | | | |
| | D + H LIMITED PARTNERSHIP | | | | | | | | |

| | Address | City | Province | Postal Code |
|-----|------------------------------------|-------------|----------|-------------|
| 154 | 2 ROBERT SPECK PARKWAY, 15TH FLOOR | MISSISSAUGA | ON | L4Z 1H8 |

END OF FAMILY

| | | | | | | | | | |
|---|---|------------------|-------------|------------------------|-------------------------|----------------------------|---------------------|---------------------|------------------------|
| Type of Search | Business Debtor | | | | | | | | |
| Search Conducted On | 155 STAR TOWERS LTD. | | | | | | | | |
| File Currency | 03NOV 2024 | | | | | | | | |
| | File Number | Family | of Families | Page | of Pages | Expiry Date | Status | | |
| | 766998432 | 3 | 3 | 5 | 5 | 23OCT 2025 | | | |
| FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN | | | | | | | | | |
| File Number | Caution Filing | Page of | Total Pages | Motor Vehicle Schedule | Registration Number | Registered Under | Registration Period | | |
| 766998432 | | 001 | 1 | | 20201023 0933 1590 4435 | P PPSA | 5 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | STAR TOWERS LTD. | | | | | 2507623 | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 8310 NINTH LINE | | | | NORVAL | ON | L0P 1K0 | | |
| Individual Debtor | Date of Birth | First Given Name | | | Initial | Surname | | | |
| Business Debtor | Business Debtor Name | | | | | Ontario Corporation Number | | | |
| | STAR TOWERS LTD. | | | | | 2507623 | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 387-389-391 ST. PAUL STREET | | | | ST CATHARINES | ON | L2R 3N1 | | |
| Secured Party | Secured Party / Lien Claimant | | | | | | | | |
| | ROYAL BANK OF CANADA | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 36 YORK MILLS ROAD, 4TH FLOOR | | | | TORONTO | ON | M2P 0A4 | | |
| Collateral Classification | Consumer Goods | Inventory | Equipment | Accounts | Other | Motor Vehicle Included | Amount | Date of Maturity or | No Fixed Maturity Date |
| | | | | X | X | | | | |
| Motor Vehicle Description | Year | Make | | | Model | V.I.N. | | | |
| General Collateral Description | General Collateral Description | | | | | | | | |
| | RELATING TO GENERAL ASSIGNMENT OF RENTS AND LEASES FOR PROPERTY | | | | | | | | |
| | LOCATED AT 387-389-391 ST. PAUL STREET, ST. CATHARINES, ONTARIO | | | | | | | | |
| Registering Agent | Registering Agent | | | | | | | | |
| | KEYSER MASON BALL, MISSISSAUGA LAWYERS | | | | | | | | |
| | Address | | | | City | Province | Postal Code | | |
| | 900-3 ROBERT SPECK PARKWAY | | | | MISSISSAUGA | ON | L4Z 2G5 | | |

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)



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Confirmation Letter/ Lettre de confirmation

25 York St.
Toronto, ON
M5J2V5

11/4/2024 9:30:06 AM CST/HNC

Attn. / À l'attention de: Dye & Durham

Acct No. / Compte No.: AC1130

Transaction Number / Numéro de transaction: TR234762

RE: Bank Act Security – Section 427, NOI Search

Objet: Garantie en vertu de la Loi sur les banques - Article 427, NOI Search

Dear Dye & Durham

Bonjour, Dye & Durham

A search has been made of the notices of intention to give security under the Bank Act registered in the province of ON. As at the date and time above, our records indicate the following:

Une recherche a été effectuée dans les avis d'intention de constituer une garantie en vertu de la Loi sur les banques, enregistrés dans la province de ON. À la date et à l'heure susmentionnées, nos dossiers indiquent ce qui suit :

Your search for:

Votre recherche pour :

Debtor Type / Type de débiteur: Company/ Société

Company Name/ Nom de l'entreprise: 2141239 ONTARIO INC.

Province of Registration / Province d'enregistrement: ON

Returns the following results:

Renvoie les résultats suivants :

No matches were found / Aucune donnée correspondante au registre



For Registrar / Pour le Registraire

This is Exhibit "Q" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Confirmation Letter/ Lettre de confirmation

25 York St.
Toronto, ON
M5J2V5

11/4/2024 9:28:29 AM CST/HNC

Attn. / À l'attention de: Dye & Durham

Acct No. / Compte No.: AC1130

Transaction Number / Numéro de transaction: TR234757

RE: Bank Act Security – Section 427, NOI Search

Objet: Garantie en vertu de la Loi sur les banques - Article 427, NOI Search

Dear Dye & Durham

Bonjour, Dye & Durham

A search has been made of the notices of intention to give security under the Bank Act registered in the province of ON. As at the date and time above, our records indicate the following:

Une recherche a été effectuée dans les avis d'intention de constituer une garantie en vertu de la Loi sur les banques, enregistrés dans la province de ON. À la date et à l'heure susmentionnées, nos dossiers indiquent ce qui suit :

Your search for:

Votre recherche pour :

Debtor Type / Type de débiteur: Company/ Société

Company Name/ Nom de l'entreprise: STAR TOWERS LTD.

Province of Registration / Province d'enregistrement: ON

Returns the following results:

Renvoie les résultats suivants :

No matches were found / Aucune donnée correspondante au registre



For Registrar / Pour le Registraire

This is Exhibit "R" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones



Special Loans & Advisory Services
 Group Risk Management
 20 King Street West, 2nd Floor
 Toronto, Ontario
 M5H 1C4

April 1, 2024

Sent by Email

Personal and Confidential

2141239 ONTARIO INC.
 8310 9TH LINE
 HALTON HILLS ONTARIO
 L0P 1K0

This is Exhibit "S" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Attention: HAROON RASHID

Re: Royal Bank of Canada (the "Bank") loans to 2141239 ONTARIO INC. (the "Borrower")

The terms of the credit facilities offered to the Borrower by the Bank are set out in a letter credit agreement dated April 28, 2021 (the "**Credit Agreement**"). All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Credit Agreement.

Pursuant to the Credit Agreement, under REPORTING REQUIREMENTS, the Borrower is in default under the terms and conditions of the Credit Agreement for the fiscal period ended December 31, 2023:

The Borrower will provide to the Bank:

- a) annual notice to reader/compilation engagement (as applicable) financial statements for the Borrower, within 90 days of each fiscal year end;

According to our records, the Bank has yet to receive the aforementioned document(s).

The above constitutes a default under the Credit Agreement (the "**Reporting Default**").

Pursuant to the Credit Agreement, under SECURITY, the Borrower signed:

- e) Postponement and assignment of claim on the Bank's form 918 signed by Haroon Rashid;

As per Unaudited Financial Statements of 2141239 ONTARIO INC. O/A TURF RAIN IRRIGATION SYSTEMS For the period ending December 31, 2022, Due to (from) shareholder account reduced from \$259,210 in fiscal year ending 2021 to \$1,708 in fiscal year ending 2022.

The above constitutes a default under the Credit Agreement (the “**Credit Agreement Default**”).

As a result of the Reporting Default and the Credit Agreement Default (the “**Defaults**”), the Bank has the right to demand repayment of all of the obligations owing by the Borrower to the Bank under the Credit Agreement, and to pursue any and all of its rights and remedies against the Borrower and all Guarantors, including without limitation, any rights and remedies provided for under any security granted to the Bank in respect of the obligations owing by the Borrower and all Guarantors.

The Bank is not prepared to tolerate the Defaults at this time. As such, we require the Defaults to be remedied by no later than **April 30, 2024**.

The Bank is not waiving any defaults under the Credit Agreement or any other documents executed and delivered in connection therewith, whether listed or not listed herein. It is up to the Borrower to ensure compliance with its obligations under the Credit Agreement. The Bank specifically reserves all of its rights it has under contract and at law.

This letter is being delivered to you without any prejudice to, and the Bank hereby expressly reserves, all available rights, remedies, powers and claims in their entirety under the Credit Agreement, its security or otherwise, or at law or in equity or otherwise which may be exercised or otherwise pursued at any time, and from time to time, in the sole and absolute discretion of the Bank.

We remind you that your account(s) and/or loans are to continue to operate and repay as agreed and any cheques or debits presented on account(s) will be returned NSF, without notice to you, if such cheques and/or debits may cause an excess.

We trust that you will give this matter your immediate attention.

Yours Truly,

ROYAL BANK OF CANADA



Jerry Tsao, Senior Manager, Special Loans



Special Loans & Advisory Services
Group Risk Management
20 King Street West, 2nd Floor
Toronto, Ontario
M5H 1C4

April 1, 2024

Sent by Email

Personal and Confidential

STAR TOWERS LTD.

8310 NINTH LINE
NORVAL ONTARIO
L0P1K0

Attention: HAROON RASHID

**Re: Royal Bank of Canada (the “Bank”) loans to STAR TOWERS LTD. (the
“Borrower”)**

The terms of the credit facilities offered to the Borrower by the Bank are set out in a letter credit agreement dated July 25, 2022 and January 6, 2023 and January 6, 2023 (the “**Credit Agreements**”). All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Credit Agreements.

Pursuant to the Credit Agreements, under REPORTING REQUIREMENTS;

The Borrower will provide to the Bank:

- a) annual notice to reader/compilation engagement (as applicable) financial statements for the Borrower, within 90 days of each fiscal year end;
- d) annual rent roll statements and operating statements for the property located at 52-66 Helles Avenue & 147 Division Street, Welland, ON, within 90 days of each fiscal year end;
- f) annual rent roll statements and operating statements for the property located at 387-389-391 St. Paul St., St. Catherines, ON, within 90 days of each fiscal year end;

According to our records, the Bank has yet to receive the aforementioned document(s).

The above constitutes a default under the Credit Agreement (the “**Reporting Default**”).

Pursuant to the Credit Agreements, under SECURITY, the Borrower provided:

h) Postponement and assignment of claim on the Bank's form 918 signed by Haroon Rashid;

As per Unaudited Financial Statements of STAR TOWERS LTD. For the year ended December 31, 2022, Due to Shareholder account reduced from \$46,781 in fiscal year ending 2021 to \$20,275 in fiscal year ending 2022.

The above constitutes a default under the Credit Agreement (the "**Credit Agreement Default**").

Pursuant to the Credit Agreements, under General Covenants, the Borrower:

c) will file all material tax returns which are or will be required to be filed by it, pay or make provisions for payment of all material taxes (including interest and penalties) and Potential Priority-Ranking Claims, which are or will be come due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;

As per Tax Bill (2024 Interim Billing) dated Jan 23, 2024 for 387-391 ST PAUL ST, Arrears (as of Jan 23, 2024) is \$14,959.20. As well, Installment 1 due Feb 29, 2024 of \$17,944.36 was not paid.

As per (2024 Interim Tax Bill dated February 9, 2024 for 66 52 HELLMMS AVE, Past Due taxes is \$5,118.47. As well, First Installment due February 29, 2024 of \$9,920.04 was not paid.

The above constitutes defaults under the General Covenants of the Credit Agreement (the "**General Covenant Default**");

As a result of the Reporting Default, Credit Agreement Default and General Covenant Default (collectively, the "**Defaults**"), the Bank has the right to demand repayment of all of the obligations owing by the Borrower to the Bank under the Credit Agreement, and to pursue any and all of its rights and remedies against the Borrower and all Guarantors, including without limitation, any rights and remedies provided for under any security granted to the Bank in respect of the obligations owing by the Borrower and all Guarantors.

The Bank is not prepared to tolerate the Credit Agreement Default and General Covenant Default at this time. As such, we require the Credit Agreement Default and General Covenant Default to be remedied by no later than **April 30, 2024**.

The Bank is not waiving any defaults under the Credit Agreement or any other documents executed and delivered in connection therewith, whether listed or not listed herein. It is up the Borrower to ensure compliance with its obligations under the Credit Agreement. The Bank specifically reserves all of its rights it has under contract and at law.

This letter is being delivered to you without any prejudice to, and the Bank hereby expressly reserves, all available rights, remedies, powers and claims in their entirety under the Credit Agreement, its security or otherwise, or at law or in equity or otherwise which may be exercised or otherwise pursued at any time, and from time to time, in the sole and absolute discretion of the Bank.

We remind you that your account(s) and/or loans are to continue to operate and repay as agreed and any cheques or debits presented on account(s) will be returned NSF, without notice to you, if such cheques and/or debits may cause an excess.

We trust that you will give this matter your immediate attention.

Yours Truly,

ROYAL BANK OF CANADA



Jerry Tsao, Senior Manager, Special Loans

Lerners LLP

225 King Street West, Suite 1600
 Toronto, Ontario M5V 3M2
 Telephone: 416-867-3076
 Fax: 416-867-9192
 www.lerners.ca

LERNERS

This is Exhibit "T" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

Domenico Magisano
 Direct Line: 416.601.4121
 Direct Fax: 416.601.4123
 dmagisano@lerners.ca

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

2141239 Ontario Inc.
 201 Millway Avenue, 2nd Floor
 Vaughan, ON L4K 5K8

8310 Ninth Line,
 Norval, ON L0P 1K0

Attention: Haroon Rashid

Dear Haroon Rashid:

Re: Royal Bank of Canada ("RBC") loans to 2141239 Ontario Inc. ("214")

We are counsel to RBC in its capacity as secured creditor of 214.

214 is indebted to RBC with respect to certain credit facilities (the "**Credit Facilities**") made available by RBC, pursuant to and under the terms of a credit agreement dated April 28, 2021 (as the same may have been amended, replaced, restated, modified, or otherwise supplemented from time to time, the "**Credit Agreement**"). As security for its obligations under the Credit Agreement, 214 granted security to RBC over all of their present and after acquired property, assets, and undertaking pursuant to a General Security Agreement dated July 29, 2019 (the "**Security**").

214 is indebted to RBC under the Credit Facilities in the amount of \$241,451.04 as of May 14, 2024.

In light of the demand nature of the Credit Facilities, and certain Events of Default (as defined in the Credit Agreement) which have occurred, we, on behalf of RBC, demand payment of **\$241,451.04** plus accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by RBC (the "**Indebtedness**"). Payment must be made within ten (10) days of the date of this letter.

If payment of the Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, steps to appoint an interim receiver, receiver or receiver and/or manager of the property, assets, and undertakings of 214, in which case RBC will also be seeking all costs incurred in doing so.

LERNERS

On behalf of RBC, we enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”) together with a draft consent to early enforcement of RBC’s security, should you desire to provide said consent.

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

A handwritten signature in black ink, appearing to read 'D.M.', with a long horizontal flourish extending to the right.

Domenico Magisano
DNM/vlg

Encls.

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)

TO: 2141239 Ontario Inc.
201 Millway Avenue, 2nd Floor
Vaughan, ON L4K 5K8

8310 Ninth Line,
Norval, ON L0P 1K0

Attention: Haroon Rashid

TAKE NOTICE THAT:

1. Royal Bank of Canada ("**RBC**"), a secured creditor, intends to enforce its security on the property, assets, and undertakings of 2141239 Ontario Limited. ("**214**"), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds, and all other personal property interest or real property interest of 214.
2. The security that is to be enforced (the "**Security**") is in the form of a General Security Agreement between 214 and RBC, dated July 29, 2019.
3. As at May 14, 2024, the total amount of the indebtedness secured by the Security is the sum of **\$241,451.04** in principal and interest, plus accruing interest and recovery costs of RBC (including, without limitation, RBC's legal and other professional fees).
4. RBC will not have the right to enforce the security until after the expiry of the ten (10) day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, Ontario this 17th day of May, 2024.

Royal Bank of Canada
by its lawyers, Lerner LLP

Per:



Domenico N. Magisano
225 King Street W., Suite 1500
Toronto, ON M5V 3M2
416.601.4121

ACKNOWLEDGEMENT AND CONSENT

TO: Royal Bank of Canada (“RBC”)

We acknowledge the receipt and proper service on the ____ day of May, 2024 of a demand of payment and a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* from RBC. We hereby consent to:

- 1. delivery of the demand letter and the notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act*,
- 2. the immediate enforcement by you of all security held in our property, assets, and undertakings, including the appointment of a receiver and/or an interim receiver and/or manager and/or agent with respect to such property and assets; and
- 3. the immediate disposition of such property and assets at such price and on such terms and conditions as you deem appropriate, without further notice to or consent of the undersigned.

DATED the ____ day of May, 2024.

2141239 ONTARIO INC.

Per: _____

Name:

I have authority to bind the corporation

LERNERS

Lerners LLP
 225 King Street West, Suite 1600
 Toronto, Ontario M5V 3M2
 Telephone: 416-867-3076
 Fax: 416-867-9192
 www.lerners.ca

Domenico Magisano
 Direct Line: 416.601.4121
 Direct Fax: 416.601.4123
 dmagisano@lerners.ca

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

Haroon Rashid
 5337 Hilton Court
 Mississauga, ON L5M 5H1

Dear Haroon Rashid:

**Re: Royal Bank of Canada (“RBC”) loans to Star Towers Ltd. (“Star Towers”);
 RBC loans to 2141239 Ontario Inc. (“214”)
 Guarantee of Haroon Rashid of Star Tower and 214’s Indebtedness to RBC**

We are counsel to RBC in its capacity as secured creditor of both Star Towers and 214.

Indebtedness to Star Towers

Today we have made formal demand for a repayment of the outstanding indebtedness of Star Towers, inclusive of interest accumulated to the date of payment. A copy of our letter to Star Towers is enclosed.

You guaranteed all present and future debts of Star Towers to RBC, all of which carry interest from the date of demand for payment at a rate equal to RBC’s Prime Interest Rate plus five percent (5.00%) per annum (collectively, the “**Star Towers Guarantees**”), pursuant to:

- a) a guarantee dated October 23, 2020, guaranteeing all present and future debts of Star Towers to RBC, relating to Facility 3 (as defined in the Star Towers Letter), and up to the maximum amount of \$562,500.00 (the “**Facility 3 Guarantee**”); and,
- b) a guarantee dated January 23, 2019, guaranteeing all present and future debts of Star Towers to RBC, up to the maximum amount of \$775,000.00 (the “**Guarantee**”).

We find it necessary, on behalf of RBC, to call upon the Star Towers Guarantees, and accordingly hereby make demand for payment from you of **\$697,281.91** representing your obligations under the Guarantee, and **\$561,814.38**, representing your obligations under the Facility 3 Guarantee (the “**Star Towers Indebtedness**”). Please note that all interest and enforcement costs on the Star Towers Indebtedness continues to accrue and said amounts are subject to the Star Tower’s Guarantees. Payment must be made within ten (10) days of the date of this letter.

LERNERS

Page 2

Under the terms of the Star Towers Guarantees, you agreed to assign and postpone all debts and claims that you have against Star towers in favour of RBC and to hold such claims as trustee for RBC. We hereby notify you that all monies collected from Star Towers are subject to such trust and should be forthwith paid over to RBC.

Indebtedness to 214

Today we have made formal demand for a repayment of the outstanding indebtedness of 214, inclusive of interest accumulated to the date of payment. A copy of our letter to 214 is enclosed.

You guaranteed all present and future debts of 214 to RBC pursuant to a guarantee dated April 29, 2021, up to a maximum amount of \$200,000.00, together with interest from the date of demand for payment at a rate equal to RBC's Prime Interest Rate plus five percent (5.00%) per annum (collectively, the "**214 Guarantee**").

We find it necessary, on behalf of RBC, to call upon the 214 Guarantee, and accordingly hereby make demand for payment from you of **\$181,565.79** representing your obligations with respect to 214's indebtedness to RBC (the "**214 Indebtedness**", and together with the Star Towers Indebtedness is the "**Total Indebtedness**"). Please note that all interest and enforcement costs on the 214 Indebtedness continues to accrue and said amounts are subject to the 214 Guarantee. Payment must be made within ten (10) days of the date of this letter.

Under the terms of the 214 Guarantee, you agreed to assign and postpone all debts and claims that you have against 214 in favour of RBC and to hold such claims as trustee for RBC. We hereby notify you that all monies collected from 214 are subject to such trust and should be forthwith paid over to RBC.

Immediate Payment Required

Given the foregoing, we, on behalf of RBC, hereby demand payment of the Total Indebtedness, being **\$1,440,662.08**.

If payment of the Total Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, commencing legal proceedings against you for the Total Indebtedness, together with interest and costs.

Yours truly,



Domenico Magisano
DNM/vlg

Enclosures

LERNERS

Lerners LLP
 225 King Street West, Suite 1600
 Toronto, Ontario M5V 3M2
 Telephone: 416-867-3076
 Fax: 416-867-9192
 www.lerners.ca

COPY

Domenico Magisano
 Direct Line: 416.601.4121
 Direct Fax: 416.601.4123
 dmagisano@lerners.ca

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

Star Towers Ltd.
 8310 Ninth Line,
 Norval, ON L0P 1K0

52-66 Hellems Avenue
 147 Division Street
 Welland, ON L3B 4A1

387-391 St. Paul St.
 St. Catharines, ON L2R 3N1

Attention: Haroon Rashid

Dear Haroon Rashid:

**Re: Royal Bank of Canada (“RBC”) loans to Star Towers Ltd. (“Star Towers”);
 Star Towers Guarantee of 2141239 Ontario Inc.’s (“214”) Indebtedness to RBC**

We are counsel to RBC in its capacity as secured creditor of Star Towers and 214.

Star Towers Indebtedness to RBC

Star Towers is indebted to RBC with respect to certain credit facilities (the “**Credit Facilities**”) made available by RBC, pursuant to and under the terms of a credit agreement dated January 6, 2023 (as the same may have been amended, replaced, restated, modified or otherwise supplemented from time to time, the “**Credit Agreement**”). The Credit Facilities include, but are not limited to:

- a) facility 1 – Revolving Demand Facility in the amount of \$5,000.00 (“**Facility 1**”);
- b) facility 2 – Non-Revolution Term Facility in the amount of \$678,097.36 (“**Facility 2**”);
- c) facility 3 – Non-Revolution Term Facility in the amount of \$530,618.74 (“**Facility 3**”); and
- d) a business credit card facility in the amount of \$20,000.00.

As security for its obligations under the Credit Agreement, Star Towers granted security to RBC over all of their present and after acquired property, assets, and undertaking (as same may have been

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amended, replaced, restated or supplemented from time to time, and collectively, the “**Security**”), pursuant to:

- a) a General Security Agreement, dated January 23, 2019;
- b) a Site Specific Security Agreement, dated February 14, 2019, related to the property municipally known as 52-66 Hellems Ave. and 147 Division St., Welland, Ontario (the “**Welland Property**”);
- c) a collateral mortgage registered on title to the Welland Property in the principal amount of \$775,000.00, on February 22, 2019;
- d) a general assignment of rents registered on title to the Welland Property on February 22, 2019;
- e) a collateral mortgage registered on title to the property municipally known as 387-391 St. Paul St., St. Catharines, Ontario (the “**St. Catharines Property**”), in the principal amount of \$562,500.00; and,
- f) a general assignment of rents registered on title to the St. Catherine’s Property.

Star Towers is indebted to RBC under the Credit Facilities, in the amount of \$1,299,347.66 as of May 14, 2024.

In light of the demand nature of the Credit Facilities, and certain Events of Default (as defined in the Credit Agreement) which have occurred, we, on behalf of RBC, demand payment of **\$1,299,347.66**, plus accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by RBC (the “**Star Towers Indebtedness**”). Payment must be made within ten (10) days of the date of this letter.

Star Tower’s Guarantees of 214 Indebtedness to RBC

Today we have made formal demand for repayment of the outstanding indebtedness of 214, inclusive of interest accumulated to the date of payment. A copy of our letter to 214 is enclosed.

Star Towers guaranteed all present and future debts of 214 to RBC pursuant to a guarantee dated April 29, 2021 (the “**Guarantee**”), guaranteeing all present and future debts of 214 to RBC up to the maximum amount of \$200,000.00 together with interest thereon from the date of demand for payment, at a rate equal to RBC’s Prime Interest Rate (as defined in the Guarantee), plus five percent (5.00%) per annum. Star Tower’s obligations under the Guarantee are secured by the Security.

We find it necessary, on behalf of RBC, to call upon the Guarantee, and accordingly hereby make demand for payment from Star Towers of **\$181,565.79**, representing its obligations with respect to 214’s indebtedness to RBC (the “**214 Indebtedness**” and together with the Star Towers Indebtedness is the “**Total Indebtedness**”). Please note that all interest and enforcement costs on the 214 Indebtedness continues to accrue and said amounts are subject to the Guarantee. Payment must be made within ten (10) days of the date of this letter.

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Page 3

Under the terms of the Guarantee, Star Towers agreed to assign and postpone all debts and claims that it has against 214 in favour of RBC and to hold such claims as trustee for RBC. We hereby notify Star Towers that all monies collected from 214 are subject to such trust and should be forthwith paid over to RBC.

Immediate Payment Required

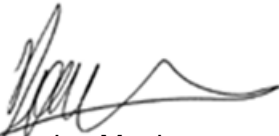
Given the foregoing, we, on behalf of RBC, hereby demand payment of the Total Indebtedness, being **\$1,480,913.45**.

To that end, we, on behalf of RBC, enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**") together with a draft consent to early enforcement of RBC's security, should you desire to provide said consent.

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

If payment of the Total Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, steps to appoint an interim receiver, receiver, or receiver and manager of the property, assets and undertakings of Star Towers, in which case RBC will also be seeking all costs incurred in doing so.

Yours truly,



Domenico Magisano
DNM/vlg

Enclosures

LERNERS

Lerners LLP

225 King Street West, Suite 1600
Toronto, Ontario M5V 3M2
Telephone: 416-867-3076
Fax: 416-867-9192
www.lerners.ca

COPY

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

2141239 Ontario Inc.
201 Millway Avenue, 2nd Floor
Vaughan, ON L4K 5K8

8310 Ninth Line,
Norval, ON L0P 1K0

Attention: Haroon Rashid

Dear Haroon Rashid:

Re: Royal Bank of Canada (“RBC”) loans to 2141239 Ontario Inc. (“214”)

We are counsel to RBC in its capacity as secured creditor of 214.

214 is indebted to RBC with respect to certain credit facilities (the “**Credit Facilities**”) made available by RBC, pursuant to and under the terms of a credit agreement dated April 28, 2021 (as the same may have been amended, replaced, restated, modified, or otherwise supplemented from time to time, the “**Credit Agreement**”). As security for its obligations under the Credit Agreement, 214 granted security to RBC over all of their present and after acquired property, assets, and undertaking pursuant to a General Security Agreement dated July 29, 2019 (the “**Security**”).

214 is indebted to RBC under the Credit Facilities in the amount of \$241,451.04 as of May 14, 2024.

In light of the demand nature of the Credit Facilities, and certain Events of Default (as defined in the Credit Agreement) which have occurred, we, on behalf of RBC, demand payment of **\$241,451.04** plus accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by RBC (the “**Indebtedness**”). Payment must be made within ten (10) days of the date of this letter.

If payment of the Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, steps to appoint an interim receiver, receiver or receiver and/or manager of the property, assets, and undertakings of 214, in which case RBC will also be seeking all costs incurred in doing so.

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On behalf of RBC, we enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**") together with a draft consent to early enforcement of RBC's security, should you desire to provide said consent.

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Magisano', with a long horizontal flourish extending to the right.

Domenico Magisano
DNM/vlg

Encls.

LERNERS

Lerners LLP

225 King Street West, Suite 1600
Toronto, Ontario M5V 3M2
Telephone: 416-867-3076
Fax: 416-867-9192
www.lerners.ca

Domenico Magisano
Direct Line: 416.601.4121
Direct Fax: 416.601.4123
dmagisano@lerners.ca

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

Star Towers Ltd.
8310 Ninth Line,
Norval, ON L0P 1K0

52-66 Hellems Avenue
147 Division Street
Welland, ON L3B 4A1

387-391 St. Paul St.
St. Catharines, ON L2R 3N1

Attention: Haroon Rashid

Dear Haroon Rashid:

**Re: Royal Bank of Canada (“RBC”) loans to Star Towers Ltd. (“Star Towers”);
Star Towers Guarantee of 2141239 Ontario Inc.’s (“214”) Indebtedness to RBC**

We are counsel to RBC in its capacity as secured creditor of Star Towers and 214.

Star Towers Indebtedness to RBC

Star Towers is indebted to RBC with respect to certain credit facilities (the “**Credit Facilities**”) made available by RBC, pursuant to and under the terms of a credit agreement dated January 6, 2023 (as the same may have been amended, replaced, restated, modified or otherwise supplemented from time to time, the “**Credit Agreement**”). The Credit Facilities include, but are not limited to:

- a) facility 1 – Revolving Demand Facility in the amount of \$5,000.00 (“**Facility 1**”);
- b) facility 2 – Non-Revolution Term Facility in the amount of \$678,097.36 (“**Facility 2**”);
- c) facility 3 – Non-Revolution Term Facility in the amount of \$530,618.74 (“**Facility 3**”); and
- d) a business credit card facility in the amount of \$20,000.00.

As security for its obligations under the Credit Agreement, Star Towers granted security to RBC over all of their present and after acquired property, assets, and undertaking (as same may have been

LERNERS

amended, replaced, restated or supplemented from time to time, and collectively, the “**Security**”), pursuant to:

- a) a General Security Agreement, dated January 23, 2019;
- b) a Site Specific Security Agreement, dated February 14, 2019, related to the property municipally known as 52-66 Hellems Ave. and 147 Division St., Welland, Ontario (the “**Welland Property**”);
- c) a collateral mortgage registered on title to the Welland Property in the principal amount of \$775,000.00, on February 22, 2019;
- d) a general assignment of rents registered on title to the Welland Property on February 22, 2019;
- e) a collateral mortgage registered on title to the property municipally known as 387-391 St. Paul St., St. Catharines, Ontario (the “**St. Catharines Property**”), in the principal amount of \$562,500.00; and,
- f) a general assignment of rents registered on title to the St. Catherine’s Property.

Star Towers is indebted to RBC under the Credit Facilities, in the amount of \$1,299,347.66 as of May 14, 2024.

In light of the demand nature of the Credit Facilities, and certain Events of Default (as defined in the Credit Agreement) which have occurred, we, on behalf of RBC, demand payment of **\$1,299,347.66**, plus accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by RBC (the “**Star Towers Indebtedness**”). Payment must be made within ten (10) days of the date of this letter.

Star Tower’s Guarantees of 214 Indebtedness to RBC

Today we have made formal demand for repayment of the outstanding indebtedness of 214, inclusive of interest accumulated to the date of payment. A copy of our letter to 214 is enclosed.

Star Towers guaranteed all present and future debts of 214 to RBC pursuant to a guarantee dated April 29, 2021 (the “**Guarantee**”), guaranteeing all present and future debts of 214 to RBC up to the maximum amount of \$200,000.00 together with interest thereon from the date of demand for payment, at a rate equal to RBC’s Prime Interest Rate (as defined in the Guarantee), plus five percent (5.00%) per annum. Star Tower’s obligations under the Guarantee are secured by the Security.

We find it necessary, on behalf of RBC, to call upon the Guarantee, and accordingly hereby make demand for payment from Star Towers of **\$181,565.79**, representing its obligations with respect to 214’s indebtedness to RBC (the “**214 Indebtedness**” and together with the Star Towers Indebtedness is the “**Total Indebtedness**”). Please note that all interest and enforcement costs on the 214 Indebtedness continues to accrue and said amounts are subject to the Guarantee. Payment must be made within ten (10) days of the date of this letter.

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Page 3

Under the terms of the Guarantee, Star Towers agreed to assign and postpone all debts and claims that it has against 214 in favour of RBC and to hold such claims as trustee for RBC. We hereby notify Star Towers that all monies collected from 214 are subject to such trust and should be forthwith paid over to RBC.

Immediate Payment Required

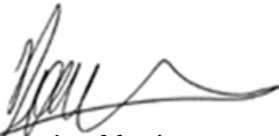
Given the foregoing, we, on behalf of RBC, hereby demand payment of the Total Indebtedness, being **\$1,480,913.45**.

To that end, we, on behalf of RBC, enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**") together with a draft consent to early enforcement of RBC's security, should you desire to provide said consent.

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

If payment of the Total Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, steps to appoint an interim receiver, receiver, or receiver and manager of the property, assets and undertakings of Star Towers, in which case RBC will also be seeking all costs incurred in doing so.

Yours truly,



Domenico Magisano
DNM/vlg

Enclosures

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1) of the *Bankruptcy and Insolvency Act*)

TO: Star Towers Ltd.
8310 Ninth Line,
Norval, ON L0P 1K0

52-66 Hellems Avenue
147 Division Street
Welland, ON L3B 4A1

387-391 St. Paul St.
St. Catharines, ON L2R 3N1

Attention: Haroon Rashid

TAKE NOTICE THAT:

1. Royal Bank of Canada ("**RBC**"), a secured creditor, intends to enforce its security on the property, assets, and undertakings of Star Towers Ltd. ("**Star Towers**"), including, without limiting the generality of the foregoing:
 - (a) all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal property interest;
 - (b) the real property municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario, and legally described as LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND (the "**Welland Property**");
 - (c) the real property municipally known as 387-391 St. Paul St., St. Catharines, Ontario, and legally described as LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES (the "**St. Catharines Property**").
2. The security that is to be enforced (the "**Security**") is in the form of, *inter alia*:
 - (a) a General Security Agreement, dated January 23, 2019;
 - (b) a Site Specific Security Agreement, dated February 14, 2019, related to the Welland Property;
 - (c) a collateral mortgage registered on title to the Welland Property in the amount of \$775,000.00, on February 22, 2019, as instrument number SN581199, in the land registry office for Niagara South (Number 59);
 - (d) a general assignment of rents registered on title to the Welland Property on February 22, 2019;
 - (e) a collateral mortgage registered on title to the St. Catharines Property, in the amount of \$562,500.00, on November 2, 2020, as instrument number NR556534, in the land registry office for Niagara North (Number 30); and
 - (f) a general assignment of rents registered on title to the St. Catharines Property.

- 2 -

3. The total amount of the indebtedness secured by the Security is **\$1,480,913.45**, as at May 14, 2024, in principal and interest, plus accruing interest and recovery costs of RBC (including, without limitation, RBC's legal and other professional fees).
4. RBC will not have the right to enforce the security until after the expiry of the ten (10) day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, Ontario this 17th day of May, 2024.

Royal Bank of Canada
by its lawyers, Lerner's LLP

Per:



Domenico N. Magisano
225 King Street W., Suite 1500
Toronto, ON M5V 3M2
416.601.4121

ACKNOWLEDGEMENT AND CONSENT

TO: Royal Bank of Canada (“RBC”)

We acknowledge the receipt and proper service on the ____ day of May, 2024 of a demand of payment and a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* from RBC. We hereby consent to:

- 1. delivery of the demand letter and, the notice of intention to enforce security pursuant of section 244 of the *Bankruptcy and Insolvency Act*;
- 2. the immediate enforcement by you of all security held in our property, assets and undertaking, including the appointment of an interim receiver, receiver, or receiver and manager with respect to such property and assets; and
- 3. the immediate disposition of such property and assets at such price and on such terms and conditions as you deem appropriate, without further notice to or consent of the undersigned.

DATED the ____ day of May, 2024.

STAR TOWERS LTD.

Per: _____

Name:

I have authority to bind the corporation

LERNERS

Lerners LLP

225 King Street West, Suite 1600
Toronto, Ontario M5V 3M2
Telephone: 416-867-3076
Fax: 416-867-9192
www.lerners.ca

COPY

May 17, 2024

FILE NUMBER 41034-00094

DELIVERED BY E-MAIL, REGISTERED AND REGULAR MAIL

2141239 Ontario Inc.
201 Millway Avenue, 2nd Floor
Vaughan, ON L4K 5K8

8310 Ninth Line,
Norval, ON L0P 1K0

Attention: Haroon Rashid

Dear Haroon Rashid:

Re: Royal Bank of Canada (“RBC”) loans to 2141239 Ontario Inc. (“214”)

We are counsel to RBC in its capacity as secured creditor of 214.

214 is indebted to RBC with respect to certain credit facilities (the “**Credit Facilities**”) made available by RBC, pursuant to and under the terms of a credit agreement dated April 28, 2021 (as the same may have been amended, replaced, restated, modified, or otherwise supplemented from time to time, the “**Credit Agreement**”). As security for its obligations under the Credit Agreement, 214 granted security to RBC over all of their present and after acquired property, assets, and undertaking pursuant to a General Security Agreement dated July 29, 2019 (the “**Security**”).

214 is indebted to RBC under the Credit Facilities in the amount of \$241,451.04 as of May 14, 2024.

In light of the demand nature of the Credit Facilities, and certain Events of Default (as defined in the Credit Agreement) which have occurred, we, on behalf of RBC, demand payment of **\$241,451.04** plus accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by RBC (the “**Indebtedness**”). Payment must be made within ten (10) days of the date of this letter.

If payment of the Indebtedness is not received, RBC shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it. These steps include, without limitation, steps to appoint an interim receiver, receiver or receiver and/or manager of the property, assets, and undertakings of 214, in which case RBC will also be seeking all costs incurred in doing so.

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On behalf of RBC, we enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**") together with a draft consent to early enforcement of RBC's security, should you desire to provide said consent.

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Magisano', with a long horizontal flourish extending to the right.

Domenico Magisano
DNM/vlg

Encls.

NOTICE OF SALE UNDER CHARGE/MORTGAGE

TAKE NOTICE that default has been made in payment of the moneys due under a certain Charge/Mortgage dated the 22nd day of February, 2019, made between:

This is Exhibit "U" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

STAR TOWERS LTD.

as Chargor

- and -

ROYAL BANK OF CANADA

as Chargee

which Charge/Mortgage was registered on the 22nd day of February, 2019, in the Land Titles Office for Niagara South (No. 59) as Instrument Number SN581199 and which Charge/Mortgage affects the land and premises more particularly described as:

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PIN 64107-0189

Being municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario.

AND WE HEREBY give you notice that the amounts now due on the Charge/Mortgage for principal money, interest, taxes, insurance premiums, and costs, respectively are as follows:

| | |
|--|------------|
| Principal and interest as of June 6, 2024 | 700,704.62 |
| Legal costs and disbursements, plus HST as applicable and additional costs as between a solicitor and his own client from the date hereof to the date of payment | 4,250.00 |
| Legal fees, disbursements and HST re Discharge of Mortgage | 359.81 |

TOTAL AMOUNT OWING: **\$705,314.43**

AND UNLESS the said sums are paid on or before the 15th day of July, 2024, the Chargee will sell the property covered by the said Charge/Mortgage under the provisions contained in it.

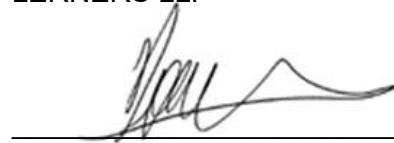
THIS NOTICE is given to you as you appear to have an interest in the charged property and may be entitled to redeem the same.

DATED at Toronto, Ontario, this 7th day of June, 2024.

ROYAL BANK OF CANADA

by its solicitors
LERNERS LLP

Per:



Domenico Magisano/Spencer Jones
225 King Street West, Suite 1500
Toronto, Ontario M5V 3M2
416.601.4121

TO: STAR TOWERS LTD.
52-66 Hellems Avenue
147 Division Street
Welland, ON L3B4A1

AND TO: STAR TOWERS LTD.
8310 Ninth Line
Norval, ON L0P 1K0

AND TO: 1553357 ONTARIO INC.
9-6980 Maritz Drive
Mississauga, ON L5W 1Z3

As Second Mortgagee

AND TO: 1553357 ONTARIO INC.
1 Lake Promenade
Toronto, ON M8V 2G7

As Third Mortgagee

NOTICE OF SALE UNDER CHARGE/MORTGAGE

TAKE NOTICE that default has been made in payment of the moneys due under a certain Charge/Mortgage dated the 2nd day of November, 2020, made between:

STAR TOWERS LTD.

as Chargor

- and -

ROYAL BANK OF CANADA

as Chargee

which Charge/Mortgage was registered on the 2nd day of November, 2020, in the Land Titles Office for Niagara North (No. 30) as Instrument Number NR556534 and which Charge/Mortgage affects the land and premises more particularly described as:

LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PIN 46219-0085

Being municipally known as 387-391 St. Paul St., St. Catharines, Ontario.

AND WE HEREBY give you notice that the amounts now due on the Charge/Mortgage for principal money, interest, taxes, insurance premiums, and costs, respectively are as follows:

| | |
|--|------------|
| Principal and interest as of June 6, 2024 | 566,052.53 |
| Legal costs and disbursements, plus HST as applicable and additional costs as between a solicitor and his own client from the date hereof to the date of payment | 4,250.00 |
| Legal fees, disbursements and HST re Discharge of Mortgage | 359.81 |

TOTAL AMOUNT OWING: \$570,662.34

AND UNLESS the said sums are paid on or before the 15th day of July, 2024, the Chargee will sell the property covered by the said Charge/Mortgage under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the charged property and may be entitled to redeem the same.

DATED at Toronto, Ontario, this 7th day of June, 2024.

ROYAL BANK OF CANADA
by its solicitors
LERNERS LLP

Per: 

Domenico Magisano/Spencer Jones
225 King Street West, Suite 1500
Toronto, Ontario M5V 3M2
416.601.4121

TO: STAR TOWERS LTD.
387-391 St. Paul St.
St. Catharines, ON L2R 3N1

AND TO: STAR TOWERS LTD.
8310 Ninth Line
Norval, ON L0P 1K0

387919326.1

This is Exhibit "V" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

From: Turf Rain <turfain@gmail.com>

Sent: June 20, 2024 8:56 AM

To: Spencer Jones <SJones@lerner.ca>; Domenico Magisano <dmagisano@lerner.ca>

Subject: RE: *EXT*-STAR TOWERS LTD and 2141239 Ontario Inc

June 20th, 2024

ROYAL BANK OF CANADA
225 King St. West, Suite 1600,
Toronto, Ontario, M5V 3M2

Att: Spencer Jones, and Domenico Magisano

Subject: Intention to Pay Off Total Debt for Star Towers Ltd and
2141239 Ontario Inc

Dear Sir,

I hope this letter finds you well. I am writing to formally inform you of my full intention to pay off the total debt associated with both companies:

Star Towers Ltd
2141239 Ontario Inc

I kindly request a period of 90 days to complete the full payment of all outstanding balances on the mortgages, lines of credit, and credit cards for these companies. During this period, I will ensure that any interest accrued is paid monthly without fail.

Additionally, I commit to paying the deposits from the sale of the properties immediately upon receipt from the buyers. This will help facilitate the prompt reduction of the total debt, and it will be paid in full with the buyer purchase payment.

Please find attached sold contract for 52-56 Hellems Ave, Welland ON, and sale agreement for 387 St. Paul Street, St. Cathrines ON.

I would appreciate it if you could provide a comprehensive breakdown of the total amounts due for each of the above-mentioned accounts as of the current date. Additionally, please inform me of any specific procedures or documents required to facilitate this process.

Thank you for your understanding and cooperation. I am committed to resolving these matters promptly and ensuring all obligations are met.

Please do not hesitate to contact me via email or phone at 416-858-4482, if you require any further information or documentation.

Yours sincerely,

Haroon Rashid
8310 Ninth Line,
Halton Hills, ON L0P 1K0

THIS FORBEARANCE AGREEMENT made as of the _____ day of July, 2024.

A M O N G :

ROYAL BANK OF CANADA

This is Exhibit "W" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

(hereinafter called the "Bank")
OF THE FIRST PART

- and -

STAR TOWERS LTD.

(hereinafter called "Star")
OF THE SECOND PART

- and -

2141239 ONTARIO INC.

(hereinafter called "214")
OF THE THIRD PART

- and -

HAROON RASHID

(hereinafter called "Haroon")
OF THE FOURTH PART

WHEREAS the Bank has made certain Borrowing Facilities available to the Borrowers pursuant to the Loan Agreements;

AND WHEREAS the Borrowers granted the Bank a security interest in the Collateral as further described in the Security;

AND WHEREAS the Guarantors have guaranteed the obligations of the Borrowers, pursuant to the Guarantees;

AND WHEREAS the obligations of Corporate Guarantor under the Corporate Guarantee are secured by the Guarantor Security;

AND WHEREAS the Borrowers have encountered financial difficulties and have breached certain covenants contained in the Loan Agreements, and/or the Security;

AND WHEREAS demand has been made against the Borrowers and Guarantors for repayment of the Indebtedness;

AND WHEREAS the 244 Notice has been served upon the Borrowers and the Corporate Guarantor;

AND WHEREAS the Bank has issued Notices of Sale for the Real Property;

AND WHEREAS despite demand being made against both the Borrowers the Guarantors, the 244 Notice being served, and Notices of Sale being issued, the Indebtedness has not been repaid to the Bank;

AND WHEREAS the Borrowers and the Guarantors have requested that the Bank forbear from enforcing its rights and remedies under the Security and the Guarantees so as to provide the Borrowers an opportunity to restructure their business and affairs;

AND WHEREAS as an inducement to the Bank agreeing to forbear, the Borrowers and the Guarantors have agreed to enter into this Agreement and to comply with the terms and provisions herein;

AND WHEREAS any undefined terms herein, shall have the same meaning as ascribed to them in the Loan Agreements or Security;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 - RECITALS

1.1 The parties agree and acknowledge that the recitals contained herein are true.

ARTICLE 2 - DEFINITIONS

2.1 For the purposes of this Agreement the following definitions shall apply:

- (a) "214 Borrowing Facilities" means those borrowing facilities provided for in the 214 Loan Agreement, including, but not limited to:
 - (i) "214 Revolving Demand" means the demand facility in the amount of \$150,000.00, as outlined in the 214 Loan Agreement; and,
 - (ii) "214 VISA" means the business credit cards in the amount of \$50,000.00, as outlined in the 214 Loan Agreement;
- (b) "214 Guarantees" means the guarantees and postponements of claim the Bank obtained, to secure 214's obligations, as follows:
 - (i) from Star, dated April 29, 2021, limited to the maximum amount of \$200,000.00; and
 - (ii) from Haroon, dated April 29, 2021, limited to the maximum amount of \$200,000.00;
- (c) "214 Loan Agreement" means the loan agreement between 214 and the Bank dated April 28, 2021, as may have been amended, restated, or superseded by letter agreements, or renewal agreements between 214 and the Bank from time to time;
- (d) "214 Security" means all security currently held by the Bank in connection with the 214 Borrowing Facilities together with such additional security as may be

granted by 214 or others, in support of the repayment of the Indebtedness including, and as further described in a General Security Agreement, dated July 29, 2019;

- (e) “244 Notices” means Notices of Intention to Enforce Security pursuant to section 244(1) of the BIA;
- (f) “Additional Collateral Mortgages” means the collateral mortgages in the amount of \$200,000.00 to be registered against the Real Property;
- (g) “Agreement” means this Forbearance Agreement;
- (h) “Bank” means the Royal Bank of Canada;
- (i) “BIA” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
- (j) “Bankruptcy Order” means the order attached to the consent to Bankruptcy Order at Schedule “A”;
- (k) “Borrowers” means Star and 214;
- (l) “Borrowing Facilities” means the 214 Borrowing Facilities, and the Star Borrowing Facilities;
- (m) “Business Day” means any weekday that is not a statutory holiday in the Province of Ontario;
- (n) “Collateral” means all assets subject to the Security;
- (o) “Collateral Mortgages” means the Division Street Collateral Mortgage, and the St. Paul Street Collateral Mortgage;
- (p) “Consents” mean the Borrowers and/or the Guarantors consents to issuance of the Judgment, the Receivership Order, and/or the Bankruptcy Order;
- (q) “Corporate Guarantor” means Star;
- (r) “Demand Date” means May 17, 2024;
- (s) “Designated Date” means October 1, 2024;
- (t) “Division Street Assignment of Rents” means the assignment of rents registered on title to the Division Street Property, on February 22, 2019;
- (u) “Division Street Collateral Mortgage” means the mortgage registered on title to the Division Street Property, on February 22, 2019 as instrument number SN581199, in the amount of \$775,000.00;
- (v) “Division Street Property” means the real property municipally known as 52-66 Helles Avenue and 147 Division Street, Welland, Ontario;

- (w) “Event(s) of Default” means any of the events outlined in Article 13 of this Agreement;
- (x) “Guarantors” means the Corporate Guarantor and the Personal Guarantor;
- (y) “Guarantor Security” means the Star Security;
- (z) “Indebtedness” means the aggregate of the amounts described in Article 3.1 below plus accrued interest thereon, any fees now or which hereafter become due and payable to the Bank and the Bank’s legal, accounting and professional costs;
- (aa) “Judgment” means the consents to judgments substantially in the form attached as Schedule “D” to this Agreement;
- (bb) “Notices of Sale” means the Notices of Sale Under Charge/Mortgage issued on June 7, 2024, with respect to the Real Property;
- (cc) “Loan Agreements” means the 214 Loan Agreement and the Star Loan Agreement;
- (dd) “Personal Guarantor” means Haroon;
- (ee) “Prime Rate” means the prime rate at the Royal Bank of Canada as may be adjusted from time to time;
- (ff) “Priority Claims” means deemed trusts and other claims and obligations ranking in priority to the Security including, without limitation, the Borrowers obligations for unpaid utilities, realty taxes, sales taxes (including any federal, provincial or harmonized sales taxes payable by the Borrowers), employee remittances, source deductions, Workers’ Compensation, obligations due under the *Pension Benefits Act* (Ontario) R.S.O. 1990, c. P-8, as amended, and due under any environmental legislation;
- (gg) “Professionals” shall include, but not limited to, any appraisers, accountants, lawyers, valuers and any other consultant or professional retained by the Bank to assist it in the repayment of the Indebtedness and/or the enforcement of the Guarantees and/or the Security;
- (hh) “Property” means all of the property, assets and undertaking of the Borrowers, wherever situate and as more particularly described in the Loan Agreements and the Security;
- (ii) “Real Property” means the Division Street Property and the St. Paul Street Property;
- (jj) “Receivership Order” means the order attached to the consent to Receivership Order at Schedule “B”;
- (kk) “Security” or “Bank’s Security” means all security currently held by the Bank in connection with the Borrowing Facilities together with such additional security as may be granted by the Borrowers or others, in support of the repayment of the Indebtedness including, and as further described in the:

- (i) 214 Security;
 - (ii) Star Security; and,
 - (iii) Collateral Mortgages;
- (ll) “St. Paul Street Assignment of Rents” means the assignment of rents registered on title to the St. Paul Street Property, on November 2, 2020;
- (mm) “St. Paul Street Collateral Mortgage” means the mortgage registered on title to the St. Paul Street Property, in the amount of \$562,500.00;
- (nn) “St. Paul Street Property” means the real property municipally known as 387-391 St. Paul Street, St. Catharines, Ontario;
- (oo) “Star Borrowing Facilities” means those borrowing facilities provided for in the Star Loan Agreement, including, but not limited to:
- (i) “Star Revolving Demand” means the demand facility in the amount of \$5,000.00, as outlined in the Star Loan Agreement;
 - (ii) “Star Term Facility #1” means the non-revolving term facility in the amount of \$678,097.36, as outlined in the Star Loan Agreement;
 - (iii) “Star Term Facility #2” means the non-revolving term facility in the amount of \$530,618.74, as outlined in the Star Loan Agreement; and,
 - (iv) “Star VISA” means the business credit card facility in the amount of \$20,000.00, as outlined in the Star Loan Agreement;
- (pp) “Star Guarantees” means the guarantees and postponements of claim the Bank obtained, to secure Star’s obligations, as follows:
- (i) from Haroon, dated October 23, 2020, limited to the maximum amount of \$562,500.00, and in support of the Star Term Facility #2; and,
 - (ii) from Haroon, dated January 23, 2019, limited to the maximum amount of \$775,000.00;
- (qq) “Star Loan Agreement” means the loan agreement between Star and the Bank dated January 6, 2023, as may have been amended, restated, or superseded by letter agreements, or renewal agreements between Star and the Bank from time to time;
- (rr) “Star Security” means all security currently held by the Bank in connection with the Star Borrowing Facilities together with such additional security as may be granted by Star or others, in support of the repayment of the Indebtedness including, and as further described in:
- (i) a General Security Agreement, dated January 23, 2019;
 - (ii) a Site Specific Security Agreement, dated February 14, 2019;

- (iii) the Division Street Collateral Mortgage;
 - (iv) the Division Street Assignment of Rents;
 - (v) the St. Paul Street Collateral Mortgage; and,
 - (vi) the St. Paul Street Assignment of Rents;
- (ss) "Statement of Claim" means the statement of claim dated July 11, 2024, bearing court file number CV-24-00003530-0000;

ARTICLE 3- INDEBTEDNESS

3.1 The Borrowers and Guarantors acknowledge that the amounts owed to the Bank by the Borrowers with respect to the Borrowing Facilities as at July 3, 2024, are as follows, all of which are subject to fluctuation:

| | |
|--|----------------------------------|
| <u>214 Borrowing Facilities</u> | |
| 214 Revolving Demand: | \$147,981.14 |
| 214 VISA: | <u>37,825.64</u> |
| 214 Total: | \$185,806.78 |
| <u>Star Borrowing Facilities</u> | |
| Star Term Facility #1: | \$706,003.53 |
| Star Term Facility #2: | 570,546.41 |
| Star VISA: | <u>18,100.97</u> |
| Star Total: | \$1,294,650.91 |
| <u>Legal Fees to July 3, 2024:</u> | <u>\$7,500.00</u> |
| <u>Total Indebtedness as at July 3, 2024:</u> | <u>\$1,487,957.69</u> |

3.2 The Borrowers and Guarantors acknowledge that the interest on the amounts set forth in Article 3.1, together with interest that continues to accrue, as well as all costs, fees expenses and other monies incurred by the Bank in connection with the Security, the Indebtedness, the collection of the Indebtedness, any appraisals and investigation of the Assets, the enforcement of the Security, the negotiation, preparation and enforcement of this Agreement, and any amendments hereto, and the disbursements and full amount of all legal and other professional fees, including those of the Consultant, incurred by the Bank in connection with all of the same, shall be added to and are deemed to form part of the Indebtedness.

ARTICLE 4 – AMENDMENTS TO BORROWING FACILITIES AND SECURITY

4.1 The Borrowers and Guarantors agree to the following amendments to the Borrowing Facilities and the Security to take effect upon execution of this Agreement:

- (a) the Additional Collateral Mortgages will be registered against the Real Property as security for 214’s obligations to the Bank.

ARTICLE 5 - FORBEARANCE PERIOD

- 5.1 Provided the Borrowers comply with their obligations set out herein, and does not commit an Event of Default, the Bank shall grant to the Borrowers a forbearance period until the Designated Date.

ARTICLE 6 - APPOINTMENT OF PROFESSIONALS

- 6.1 The Borrowers and Guarantors acknowledge and agree that the Bank has already retained Lerner's LLP with respect to this matter. Further, the Bank may immediately, and at its sole and unfettered discretion, appoint any additional Professionals without notice to the Borrowers and/or Guarantors.
- 6.2 The Borrowers and Guarantors expressly acknowledge and agree that they are jointly and severally liable for the fees and disbursements (including taxes) of any Professionals. The Borrowers and Guarantors further expressly acknowledge and agree that the fees and disbursements of the Professionals are payable by the Borrowers and the Guarantors at their respective standard rates within 30 days of invoice and, if not paid by within that time, may be added to the Indebtedness and subject to the Security.
- 6.3 In addition to the payments referenced in Article 6.2 above, the Borrowers and the Guarantors agree that they shall pay to the Bank any further accounts rendered by any of the Professionals within 30 days of the Bank providing said accounts to the Borrowers.

ARTICLE 7 - ACKNOWLEDGEMENT

- 7.1 The Borrowers herein acknowledge and agree:
- (a) that the Indebtedness is as set out above and that it does not dispute its liability for the Indebtedness and does not have any claim for setoff, counterclaim or damages on any basis whatsoever against the Bank. If there are any claims for setoff, counterclaim or damages against the Bank such claims are expressly released and discharged;
 - (b) that the Security is valid and binding and shall continue to be enforceable in accordance with the terms thereof;
 - (c) that default by the Borrowers has occurred in its obligations to the Bank under the Borrowing Facilities and the Security;
 - (d) that the Bank had the right to demand repayment of the Indebtedness and serve the 244 Notices. Further, the Borrowers acknowledge the right of the Bank to demand repayment of the Indebtedness and serve the 244 Notices;
 - (e) the Bank has demanded repayment of the Indebtedness and has served the 244 Notice upon the Borrowers and the Borrowers have received same;
 - (f) the Notices of Sale have expired;

- (g) to early enforcement upon the Security and waive any further requirement for the bank to make additional demands to the Borrowers with respect to the Indebtedness and/or issue further 244 Notices to the Borrowers;
- (h) the Consents are to be held in escrow by the Bank, and only released upon: (1) an Event of Default as defined in Article 13; or (2) the Indebtedness is not repaid in full by the Designated Date;
- (i) that it has received independent legal advice and/or has been afforded a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement; and,
- (j) that except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrowers or applicable Guarantors a written waiver of any such rights following the date hereof.

7.2 The Guarantors hereby acknowledge and agree:

- (a) that the Indebtedness of the Borrowers to the Bank is as set out above;
- (b) that default by the Borrowers has occurred under the Borrowing Facilities and the Security;
- (c) that they do not dispute their liability pursuant to the Guarantees, and they do not have any claim for setoff, counterclaim or damages on any basis whatsoever against the Bank. If there are any claims for set off, counterclaim, or damages, such claims are expressly released and discharged;
- (d) that the Guarantees have not been released, waived or varied and the Guarantees are binding upon the respective signatories and are valid and enforceable against them in accordance with their written terms;
- (e) that the Guarantor Security is valid and binding and shall continue to be enforceable in accordance with the terms thereof;
- (f) that the Bank had demanded repayment of the Indebtedness from the Guarantors. Further, the Bank had the right to demand repayment of the Indebtedness and the right to issue the 244 Notices;
- (g) that the Notices of Sale have expired;
- (h) the Consents are to be held in escrow by the Bank, and only released upon: (1) an Event of Default as defined in Article 13; or (2) the Indebtedness is not repaid in full by the Designated Date;
- (i) they have received independent legal advice and/or have been afforded a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement; and,

- (j) that except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrowers or applicable Guarantors a written waiver of any such rights following the date hereof.

- 7.3 The Borrowers and the Guarantors acknowledge that the Bank shall not have control over any of the operations or affairs of the Borrowers, nor shall the Bank take part in the management of the Borrowers' affairs, including the approval of any transactions except as hereinafter qualified. Without limiting the generality of the foregoing, the Bank shall not be entitled to approve or execute agreements, sign cheques or otherwise sign on bank accounts or interfere with the efficient and proper day-to-day conduct of the business and affairs of the Borrowers.

ARTICLE 8 - COVENANTS OF THE BORROWERS

- 8.1 In addition to the covenants contained in the Borrowing Facilities as amended and the covenants contained in this Agreement the Borrowers covenant and agree with the Bank to:
- (a) execute any documentation necessary for the registration of the Additional Collateral Mortgages;
 - (b) provide updates to the Bank on the sale of the Real Property and any related documentation on the first business day of each month during the forbearance period;
 - (c) ensure that the proceeds of sale from the sale of the Real Property, once any priority charges on title are paid, are to be immediately directed to the Bank. The Bank, in its sole and unfettered discretion, will apply the proceeds of sale to reduce the Total Indebtedness;
 - (d) provide the Bank on the 15th business day of each month during the forbearance period with documentation detailing the status of any Priority Claims payments and arrears;
 - (e) cause all Priority Claims (inclusive of any arrears and any current amounts owing) to be paid in full by the Designated Date;
 - (f) ensure that all monies generated by the Borrowers in the course of their respective business operations are deposited into accounts maintained by the Borrowers at the Bank and the Borrowers shall only maintain accounts at the Bank;
 - (g) authorize and direct the Bank to automatically debit, by mechanical, electronic or manual means, any account in the name of the Borrowers (or any one of them), for all amounts payable under this Agreement;

- (h) maintain their corporate existence as valid and subsisting corporate entities, including but not limited to, ensuring that the Borrowers do not merge, amalgamate, consolidate or change the share structure of the Borrowers or the ownership of the shares without written consent of the Bank;
 - (i) and provide confirmation that there is insurance coverage for the Collateral in amounts and on terms satisfactory to the Bank;
 - (ii) and comply with all governmental environmental laws respecting the ownership and operation of its business and keep in good standing all environmental permits required to operate its business;
- (i) make regular remittances on the Priority Claims and provide written evidence of same to the Bank monthly;
- (j) ensure that the Borrowers do not enter into any agreement or employ any strategy, either directly or indirectly, which would affect the ranking of the Security, encumber, restrict or otherwise impair the Collateral or the marketability thereof and the Borrowers shall work diligently toward the overall implementation of this Agreement;
- (k) ensure that the Borrowers (or any one of them) do not grant, execute or deliver any security interests, mortgages, hypothecs, liens, charges, pledges or other encumbrances whatsoever to any person, firm, corporation or other legal entity without the prior written consent of the Bank;
- (l) ensure that until the Indebtedness is repaid in full, there should be no repayment of any amounts owing by either of the Borrowers to any "related person" as such term is defined in the BIA, without prior written consent of the Bank;
- (m) except as otherwise provided in this Agreement, not move, sell or otherwise relocate any of the assets forming part of the Bank's Security without consent;
- (n) advise the Bank immediately of any proceedings commenced against the Borrowers (or any one of them) or the Guarantors (or any one of them) including any third party demands;
- (o) ensure, that the Borrowers (or either one of them) do not, incur or become liable for any borrowed money, or for the purchase price of assets, obligations and leases (except in the ordinary course of business in accordance with past practice), obligations under letters of credit or guarantees or indemnities, obligations given pursuant to the bankers' acceptances or indemnities in connection therewith, or any contingent obligation, including, without limitation, guarantees, endorsements or bills of exchange, obligations to purchase assets (except in the ordinary course of business in accordance with past practice) and obligations to make advances or otherwise provide financial assistance to any other entity without prior written consent of the Bank, provided however that nothing herein shall preclude the Borrowers from incurring and becoming liable for borrowed money, provided the same is used by the Borrowers to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (p) assist the Bank in the exercise its rights and remedies under this Agreement, should an Event of Default occur;

- (q) execute the consent to a Bankruptcy Order, in the form attached hereto as **Schedule "A"**;
- (r) execute the consent to a Receivership Order, in the form attached hereto as **Schedule "B"**;
- (s) execute the acknowledgement of service form with respect to the Bank's Statement of Claim, attached hereto as **Schedule "C"**;
- (t) execute consent to the Judgment in the form attached as **Schedule "D"**;
- (u) cause all HST, source deductions, and other governmental priority payables to be paid in full immediately and will keep all such payments current hereafter;
- (v) comply with all of its obligations as herein set forth and as required by the Borrowing Facilities throughout the course of this Agreement; and,
- (w) provide the Bank with such additional information as the Bank may reasonably request from time to time.

ARTICLE 9 - COVENANTS OF THE GUARANTORS

- 9.1 In addition to the covenants contained in the Borrowing Facilities, the Security and the covenants contained in this Agreement, the Guarantors covenant and agree with the Bank to comply with their obligations as herein set forth and cause the Borrowers to comply with its obligations as herein set forth.
- 9.2 Upon execution of this Agreement, the Guarantors agree to execute the:
- (a) execute the consent to a Bankruptcy Order, in the form attached hereto as Schedule "A";
 - (b) execute the consent to a Receivership Order, in the form attached hereto as Schedule "B";
 - (c) execute the acknowledgement of service form with respect to the Bank's Statement of Claim, attached hereto as Schedule "C";
 - (d) execute consent to the Judgment in the form attached as Schedule "D";

ARTICLE 10 - REPRESENTATIONS AND WARRANTIES

- 10.1 The Borrowers and the Guarantors represent and warrant to and in favour of the Bank, and acknowledge that the Bank is relying upon such representations and warranties in entering into this Agreement as follows:
- (a) the Borrowers are duly incorporated corporations, organized and subsisting under the laws of the Province of Ontario;
 - (b) the Borrowers have all necessary power and authority and are duly qualified and hold all necessary licenses and/or registrations to carry on their respective

business as now conducted and to enter into and perform their respective obligations under this Agreement;

- (c) the execution, delivery and performance of this Agreement by the Borrowers and the performance of their respective obligations hereunder:
 - (i) have been duly authorized by all necessary corporate actions;
 - (ii) do not conflict with or result in a breach or violation of or constitute a default under:
 - (A) the constating documents or by-laws of the Borrowers;
 - (B) any law, rule, regulation, order, judgment, writ, injunction or decree applicable to the Borrowers (or any one of them); and
 - (C) any commitment, agreement or other instrument to which the Borrowers (or any one of them) are now a party or otherwise bound; and,
 - (iii) does not require the consent or approval of any third party;
- (d) there is no matter, fact or event which is known to the Borrowers or Guarantors that has not been disclosed to the Bank which constitutes an Event of Default or is likely to have a material adverse affect on the performance of their respective obligations under this Agreement, or have a material adverse affect on the Assets or the operations of the Borrowers, and the Borrowers have conducted such investigations as they consider reasonably necessary to make this representation and warranty;
- (e) no proceeding or action has been taken or commenced by any person against any of the Borrowers or any of the Guarantors in respect of any amounts owing by any of the Borrowers or any of the Guarantors to any person; and
- (f) any lease to which the Borrowers (or any one of them) are a party, remains in full force and effect, and the Borrowers (or any one of them) are not in breach of any of their obligations or covenants thereunder.

10.2 The representation and warranties set forth herein shall survive the execution and delivery of this Agreement, and shall continue in full force and effect until the repayment of the Indebtedness.

ARTICLE 11 - SECURITY

11.1 The Security (including the Additional Collateral Mortgages) shall continue to be held by the Bank hereunder.

11.2 All Security held by the Bank (including the Additional Collateral Mortgages) shall be held as security for all Indebtedness. For greater certainty, the Borrowers and Guarantors hereby acknowledge and agree that upon the occurrence of an Event of Default, the Bank shall be entitled to enforce its rights under the Security (including the

Additional Collateral Mortgages), this Agreement or any part thereof, to the extent of the Indebtedness.

- 11.3 The Borrowers shall provide, and the Guarantors shall ensure that the Borrowers provide access to the Bank or its agents during normal business hours, to enter upon any premises from which the Borrowers carry on business and any property where the Collateral is located to inspect the Collateral or to have appraisals made of the Assets, and to examine and make copies of all books and records relating thereto, including any books and records required by the Bank, its representatives or agents to confirm, among other things, that the Priority Payables are current. All costs in connection with such appraisals, testing and enquires shall form and are hereby deemed to form part of the Indebtedness.

ARTICLE 12 – PAYMENT ON DESIGNATED DATE

- 12.1 The Borrowers and the Guarantors acknowledge and agree that the Indebtedness must be paid, in full, on the earlier of:
- (a) an Event of Default; or
 - (b) the Designated Date.

ARTICLE 13 - EVENTS OF DEFAULT

- 13.1 The Borrowers and/or the Guarantors are in breach of any term of this Agreement upon the happening of any of these Events of Default:
- (a) any of the Borrowers or the Guarantors breach any term of this Agreement;
 - (b) there is a subsequent breach of any term of the Borrowing Facilities or any other agreement with the Bank, including, without limitation the agreements that grant the Security to the Bank and the Guarantees;
 - (c) if either Borrowers or Guarantors cease to carry on business, makes an assignment for the benefit of creditors, files an assignment in bankruptcy or make a proposal under the BIA, a petition in bankruptcy is issued or either Borrowers, or any one of the Guarantors, is adjudicated insolvent or bankrupt, the Borrowers, or any one of the Guarantors, applies to any tribunal for the appointment of a Receiver, Trustee or similar liquidator, any proceeding is commenced relating to the Borrowers, or any one of the Guarantors, or to any portion of their property under any law relating to reorganization, arrangement or readjustment of debt, dissolution, winding up or similar law, or if a receiver, trustee or manager, consultant, liquidator or other similar party(ies) is appointed in respect of their property or any part thereof;
 - (d) any notice of intention is filed or any voluntary or involuntary case or proceeding is filed or commenced for:
 - (i) the bankruptcy, liquidation, winding-up, dissolution or suspension of general operations of the Borrowers or the Guarantors;

- (ii) the composition, re-scheduling, re-organization, arrangement or re-adjustment, or other relief from, or stay of proceedings to enforce, some or all of the debts of either Borrowers or either Guarantors;
 - (iii) the appointment of a trustee, receiver, receiver and manager, liquidator, administrator, custodian or other official for all or any significant part of the assets of either Borrowers or either Guarantors;
 - (iv) the possession, foreclosure or retention, or sale or other disposition of, or other proceedings to enforce security over, all or any significant part of the assets of either Borrowers or either Guarantors;
- (e) any secured creditor, encumbrancer or lienor, or any trustee, receiver, receiver and manager, agent, bailiff or other similar official appointed by or acting for any secured creditor, encumbrancer or lienor takes possession of, or forecloses or retains, or sells or otherwise disposes of, or otherwise proceeds to enforce security over all or any significant part of the assets of either Borrowers or either Guarantors or gives notice of its intention to do any of the foregoing unless the Borrowers and/or the Guarantors can demonstrate to the Bank's satisfaction that the claim is without merit;
- (f) there is, in the opinion of the Bank, a material adverse change or deterioration in the Security (including the Additional Collateral Mortgages) or in the financial condition, operation or ownership of the Borrowers, or the Guarantors; and
- (g) if any Person takes possession of any property of either the Borrowers or the Guarantors by way of or in contemplation of enforcement of security, or a distress, execution, garnishment or similar process is levied or enforced against any such property.

13.2 Upon the occurrence of an Event of Default, inter alia:

- (a) the Indebtedness (which shall for the purposes hereof also include any additional indebtedness and interest incurred in respect of the Borrowing Facilities together with any unpaid fees and disbursements of any Professional) shall, at the option of the Bank, become immediately due and payable;
- (b) interest thereon shall be due and payable from such date at the rate applicable to the Indebtedness to the actual date of payment;
- (c) the Bank may immediately terminate its agreement to forbear and shall be entitled to enforce all of its rights and remedies against the Borrowers and Guarantors;
- (d) the Borrowers shall assist the Bank, and the Guarantors shall ensure that the Borrowers assist the Bank, in the exercise of its rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets, or any part thereof, and providing such assistance as is requested in the sale of same; and,
- (e) the Bank's Security (including the Additional Collateral Mortgages) shall, at the option of the Bank become enforceable without further notice in accordance with its terms including, but not limited to, releasing any, or all, of the Consents from

escrow and obtaining the Judgment, the Receivership Order, and/or the Bankruptcy Order without further notice to the Borrowers and/or Guarantors.

- 13.3 The Bank's remedies contained in this Agreement (including, but not limited to the remedies listed in Article 13.2) are in addition to (and not in lieu of) all of the Bank's rights and remedies as contained in the Security, the Additional Collateral Mortgages, and the Loan Agreements.

ARTICLE 14 - TOLLING PROVISIONS

- 14.1 As of the date hereof and until the termination of the tolling arrangements in accordance with Article 14.2, and whether or not demand for payment has been made to the Borrowers and/or the Guarantors, the Bank, the Borrowers and the Guarantors agree to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time relating to the Borrowing Facilities, the Indebtedness or the Security (including the Additional Collateral Mortgages) and each of the parties confirms that this agreement is intended to be an agreement to suspend or extend the basic limitation period provided by section 4 of the *Limitations Act, 2002* (Ontario) and the ultimate limitation period provided by section 15 of the *Limitations Act, 2002* (Ontario) and is in accordance with the agreements to extend limitation periods as provided by sections 22(2) and section 22(5) of the *Limitations Act, 2002* (Ontario).
- 14.2 The tolling provisions of this Agreement shall terminate upon any party giving all other parties 60 days written notice of its intention to terminate the tolling provisions contained herein. Upon expiry of such 60 day written notice, the passage of time relating to the Borrowing Facilities, the Indebtedness and the Security (including the Additional Collateral Mortgages) shall recommence running and for greater certainty, the time during which the limitation period is suspended pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

ARTICLE 15 - WAIVER AND RELEASE

- 15.1 The Borrowers and the Guarantors hereby acknowledge and agree that the Bank's administration of the Borrowing Facilities, the Indebtedness and the Security (including the Additional Collateral Mortgages) and its conduct and actions in dealing with the Borrowers and Guarantors, have been fair and reasonable and hereby waive and agree not to assert or cause to be asserted on behalf of any of them, and are hereby estopped from asserting or causing to be asserted on behalf of any of them, any defences, rights or claims on any grounds whatsoever, with respect to such administration, conduct, action and dealings, and hereby absolutely, unconditionally and irrevocably release and remise the Bank (and its present and former, affiliates, subsidiaries, divisions, predecessors, directors, officers, employees, agents and other representatives and their successors and assigns) of and from any and all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any other claims, counterclaims, defences, rights of set-off, demands and liabilities of any nature and kind whatsoever, known or unknown, both at law and in equity that the Borrowers or Guarantors or any of their successors, assigns, or other legal representatives may now or hereafter have against the Bank. Further, in executing and delivering this Agreement, the Borrowers and Guarantors hereby acknowledge and agree that they are acting freely and without duress and that this release may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may

be institute, prosecuted or attempted in breach of the provisions of that release and that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of this release.

ARTICLE 16 - GENERAL PROVISIONS

- 16.1 The rights of the Bank as set forth herein are in addition to any other rights the Bank currently has with respect to the Borrowers and the Guarantors.
- 16.2 The Borrowers and Guarantors shall immediately (and without limitation to its covenants contained herein), at the request of the Bank, correct and amend or replace any defective or incomplete Security and to take all steps that may be necessary in order to correct the priority position of the Security as contemplated by the Borrowing Facilities and this Agreement including, but not limited to, promptly executing any documentation required to correct, amend or replace said defective or incomplete Security.
- 16.3 No delay on the part of the Bank in exercising any remedy or any waiver of the rights given to it hereunder or any of the Security shall operate as a waiver thereof except if such waiver is specifically given in writing by the Bank and no forbearance on the part of the Bank with respect to any event of default shall be deemed to be of any waiver by the Bank of that event of default or any other subsequent or similar event of default.
- 16.4 Time is of the essence in this Agreement, but a forbearance by the Bank in the strict application of this provision shall not operate as a continuing or subsequent forbearance.
- 16.5 If the Bank is asked to respond to any credit enquiry concerning the Borrowers made by any other bank, financial institution or any other party, the Bank may refuse to respond to such enquiry, and the Borrowers and/or the Guarantors hereby release and discharge the Bank in respect of any loss that the Borrowers and/or the Guarantors may suffer as a result of such refusal to respond. The Bank shall, however, provide the necessary pay out statements to another bank of financial institution if said pay out statements are required for the purposes of refinancing all or part of the Bank's debt and the Borrowers and the Guarantors specifically authorize the Bank to do so.
- 16.6 Except as explicitly amended by this Agreement, the terms and provisions of the Borrowing Facilities, and the Security shall remain in full force and effect and no statement, representation, warranty, undertaking or agreement is enforceable unless in writing signed by the party against whom it is asserted or his or her authorized agent. In the event of a conflict between the terms and provisions of same and this Agreement, the terms and provisions of this Agreement shall govern.
- 16.7 The Borrowers and the Guarantors shall promptly from time to time and at all times hereafter, at every reasonable request of the Bank, make, do, execute and deliver, or cause to be made, done, executed and delivered, at the sole cost and expense of the Borrowers or the Guarantors, all such further acts, deeds and assurances and things as may be necessary or desirable in the opinion of the Bank for more effectually implementing the true intent and meaning of this Agreement.

16.8 Any notice, demand, approval, consent, waiver or other communication to be given by one party to another under this Agreement, shall be in writing and shall be sufficiently given if delivered personally, forwarded by registered mail or transmitted by facsimile transmission or email to such party as follows:

(a) in the case of the Borrowers/Corporate Guarantor:

2141239 Ontario Inc.
201 Millway Avenue, 2nd Floor
Vaughan, ON L4K 5K8

8310 Ninth Line
Norval, ON L0P 1K0

Attention: Haroon Rashid
E-Mail: turfrain@gmail.com

Star Towers Ltd.
8310 Ninth Line,
Norval, ON L0P 1K0

52-66 Hellems Avenue
147 Division Street
Welland, ON L3B 4A1

387-391 St. Paul St.
St. Catharines, ON L2R 3N1

Attention: Haroon Rashid
E-Mail: turfrain@gmail.com

(b) in the case of the Personal Guarantor:

Haroon Rashid
5337 Hilton Court
Mississauga, ON L5M 5H1

E-mail: turfrain@gmail.com

(c) in the case of the Bank to:

Royal Bank of Canada
20 King Street West, 2nd Floor
Toronto, Ontario M5H 1C4

Attention: Jerry Tsao
Email Address: jerry.tsao@rbc.com

With a copy to:

Lerners LLP
225 King St. W., 15th Floor
Toronto ON M5V 3M2

Attention: Domenico Magisano
E-Mail: dmagisano@lernalers.ca

or to such other address or facsimile number as may be designated by Notice given as aforesaid to the other party by the party to whom Notice is to be given. Any Notice delivered and received as aforesaid shall be deemed to have been given and received on the day of delivery, if forwarded by registered mail on the third Business Day following mailing thereof and in the case of transmission by facsimile transmission or email on the first Business Day following such transmission.

- 16.9 The Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, administrators, executors or permitted assigns and the obligations of the Borrowers and the Guarantors herein are joint and several.
- 16.10 The invalidity, illegality or unenforceability, for any reason, of any term or provision of this Agreement shall not in any manner invalidate any other term or provision hereof and the same shall be deemed to have been severed therefrom so that the validity, legality and enforceability of the remaining terms and provisions hereof shall not be affected, prejudiced or impaired thereby.
- 16.11 This Agreement or any amendment thereto may be executed in counterparts, and if so executed all counterparts when taken together shall comprise one and the same instrument, and facsimile copies of signatures shall be treated as originals for all purposes.

ARTICLE 17 - ACCEPTANCE

- 17.1 This agreement is open for acceptance until 5:00 PM on the 12th day of July, 2024. Should you not accept this offer by the time indicated, then the same shall become null and void and no longer binding on the Bank.

IN WITNESS WHEREOF the parties hereto have executed this Forbearance Agreement as of the day and year first above written.

ROYAL BANK OF CANADA

Per: _____

Jerry Tsao, Senior Manager
Special Loans - Ontario

I have authority to bind the Bank

2141239 ONTARIO INC.

Per: Haroon Rashid
[Signature], President

I have authority to bind the Corporation

STAR TOWERS LTD.

Per: Haroon Rashid
[Signature], President

I have authority to bind the Corporation

SIGNED, SEALED AND DELIVERED
in the presence of

[Signature]
as to the signature of Haroon Rashid

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)
)
)
)
)
)

[Signature]
HAROON RASHID (personally as
Guarantor)

388035205.1

2141239 ONTARIO INC.

Per: Haroon Rashid
_____, President

I have authority to bind the Corporation


STAR TOWERS LTD.

Per: Haroon Rashid
_____, President

I have authority to bind the Corporation

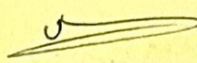
SIGNED, SEALED AND DELIVERED

in the presence of

 Bushra Rashid

as to the signature of Haroon Rashid

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HAROON RASHID (personally as
Guarantor)

388035205.1

Schedule "B"

Court File No. CV-24-00003530-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Respondents

CONSENT

STAR TOWERS LTD., and 2142139 ONTARIO INC., hereby consent to the appointment by the court of Haron Rashid as a Receiver or as a Receiver and Manager pursuant to section 101 of the *Courts of Justice Act* and/or section 243 of the *Bankruptcy and Insolvency Act*.

The execution of this Consent by facsimile signature is binding upon the undersigned.

DATED this 12 day of July, 2024.

This is Exhibit "X" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

2141239 ONTARIO INC.

Per: Haron Rashid
~~_____~~, President

I have authority to bind the Corporation

STAR TOWERS LTD.

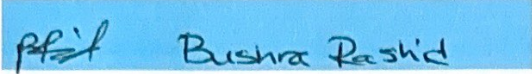
Per: Haron Rashid
~~_____~~, President

I have authority to bind the Corporation


The undersigned Guarantor hereby consents to the above appointment.

DATED this 12 day of July, 2024.

SIGNED, SEALED AND DELIVERED
in the presence of

 Bushra Rashid

as to the signature of Haroon Rashid



HAROON RASHID (personally as
Guarantor)

Schedule "D"

Court File No.: CV-24-00003530-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

and

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Defendants

CONSENT

The Defendants, hereby consent to the Judgment in the form attached as **Schedule "A"**.

DATED this day of July, 2024.

This is Exhibit "Y" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

2141239 ONTARIO INC.

Per: Haroon Rashid
_____, President

I have authority to bind the Corporation

STAR TOWERS LTD.

Per: Haroon Rashid
_____, President

I have authority to bind the Corporation

SIGNED, SEALED AND DELIVERED
in the presence of

as to the signature of Haroon Rashid

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Haroon Rashid

HAROON RASHID (personally as
Guarantor)

Schedule "D"

Court File No.: CV-24-00003530-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff

and

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Defendants

CONSENT

The Defendants, hereby consent to the Judgment in the form attached as **Schedule "A"**.

DATED this 15th day of July, 2024.

2141239 ONTARIO INC.

Per: HAROON RASHID
_____, President

I have authority to bind the Corporation

STAR TOWERS LTD.

Per: HAROON RASHID
_____, President

I have authority to bind the Corporation

SIGNED, SEALED AND DELIVERED

in the presence of
Bushra Rashid

as to the signature of Haroon Rashid

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)

HAROON RASHID

HAROON RASHID (personally as
Guarantor)

LERNERS LLP
225 King Street West, Suite 1500
Toronto, ON M5V 3M2

Domenico Magisano // dmagisano@lernalers.ca
Spencer Jones // sjones@lernalers.ca

Lawyers for the Plaintiff

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)
)
)
)

THE

JUSTICE

DAY OF

, 2024

B E T W E E N:

ROYAL BANK OF CANADA

Plaintiff

and

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Defendants

JUDGMENT

THIS ACTION, made by the Plaintiff, was heard this day at 50 Eagle Street West, Newmarket, Ontario.

ON READING the consent of the parties, filed;

1. **THIS COURT ORDERS** that Star Towers Ltd. (the "**Mortgagor**") to deliver up vacant possession of the lands municipally described as:

a. 387-391 St. Paul Street, St. Catharines, Ontario (the "**Paul Property**"); and

b. 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario (the "**Division Property**");

as more particularly described in **Schedule "A"** hereto, and collectively referred to as the "**Lands**".

2. **THIS COURT ORDERS** that the Plaintiff is hereby granted leave to have a Writ of Possession issued if the Mortgagor fails to deliver up immediate vacant possession of the Lands.

3. **THIS COURT ORDERS** and directs the Sherriff of the Regional Municipality of Niagara - North to enforce the Writ of Possession issued pursuant to paragraph 2 above with respect to the Paul Property, but shall not interfere with the possession of any tenant presenting a written lease for the Paul Property.
4. **THIS COURT ORDERS** and directs the Sherriff of the Regional Municipality of Niagara – South to enforce the Writ of Possession issued pursuant to paragraph 2 above with respect to the Division Property, but shall not interfere with the possession of any tenant presenting a written lease for the Division Property.
5. **THIS COURT ORDERS** the Mortgagor provide the Plaintiff with any and all written leases relating the Lands.
6. **THIS COURT** grants judgment in the amount of \$1,483,466.47, as at July 3, 2024 payable by the Mortgagor to the Plaintiff, which amount represents principal, interest, fees, and legal costs due and payable under the terms of a credit agreement dated January 6, 2023, and a guarantee dated April 29, 2021 (the “**Mortgagor Indebtedness**”).
7. **THIS COURT** grants judgment in the amount of \$185,806.78, as at July 3, 2024, as against 2141239 Ontario Inc., which amount represents principal, interest, fees, and legal costs due and payable under the terms of a credit agreement dated April 28, 2021 (the “**214 Indebtedness**”)
8. **THIS COURT** grants judgment against the defendant Haroon Rashid in the amount of \$1,475,420.06, pursuant to, and under the terms of his guarantees dated January 23, 2019, February 14, 2019, October 23, 2020, and April 29, 2021 (the “**Guarantor Indebtedness**”).
9. **THIS COURT ORDERS** that post-judgment interest be paid:
 - a. with respect to the Mortgagor Indebtedness:

- i. at a rate of the Plaintiff's prime interest rate plus 4.08% on \$709,012.31;
 - ii. at a rate of 2.8% on \$570,546.41;
 - iii. at a rate of 19.99% on \$18,100.97; and
 - iv. at a rate of the Plaintiff's prime interest rate plus 5.00% on \$185,806.78;
- b. with respect to the 214 Indebtedness:
 - i. at a rate of the Plaintiff's prime interest rate plus 5.00% on \$147,981.14;
and
 - ii. at a rate of 19.99% on \$37,825.64;
- c. with respect to the Guarantor Indebtedness, at a rate of the Plaintiff's prime interest rate plus 5.00%.

from the date of this judgment until all amounts due and owing to the Plaintiff are paid in full.

10. **THIS COURT ORDERS** that costs of this Action be paid by the Defendants to the Plaintiff, on a full indemnity basis, from the date of this judgment in accordance with the terms of the Charge/Mortgage and calculated on the date that the Plaintiff is paid in full.

SCHEDULE "A"

Paul Property

LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PIN 46219-0085

Being municipally known as 387-391 St. Paul St., St. Catharines, Ontario

Division Property

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PIN 64107-0189

Being municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario

| STAR TOWERS LTD. Indication Payout amount as at November 19, 2024 | | | | | | |
|---|--------------------|----------------|------------------|--|-----------------------|------------------------------------|
| Borrower | Facility | Principal | Accrued Interest | Total | Per Diem | Comment |
| STAR TOWERS LTD. | 07512 34866641 005 | \$675,006.69 | \$58,222.17 | \$733,228.86 | \$185.49 | As at Nov 19/24, subject to change |
| STAR TOWERS LTD. | 07512 34866641 006 | \$527,026.17 | \$66,683.69 | \$593,709.86 | \$158.54 | As at Nov 19/24, subject to change |
| STAR TOWERS LTD. | 07512 34866641 007 | \$18,019.02 | \$1,532.02 | \$19,551.04 | \$9.75 | As at Nov 19/24, subject to change |
| STAR TOWERS LTD. | PAID FEES | \$13,670.35 | \$0.00 | \$13,670.35 | \$0.00 | As at Nov 19/24, subject to change |
| | Sub Totals | \$1,233,722.23 | \$126,437.88 | \$1,360,160.11 | \$353.78 | |
| | | | | Total CAD Payout Amount (E.&O.E.) | \$1,360,160.11 | \$353.78 |

TERM LOAN Matured: Feb 22, 2024
 TERM LOAN Matured: Oct 29, 2023
 VISA
 PAID FEES

| 2141239 ONTARIO INC. Indication Payout amount as at November 19, 2024 | | | | | | |
|---|--------------------|--------------|------------------|--|---------------------|------------------------------------|
| Borrower | Facility | Principal | Accrued Interest | Total | Per Diem | Comment |
| 2141239 ONTARIO INC. | 07512 39195525 001 | \$152,593.80 | \$823.17 | \$153,416.97 | \$37.42 | As at Nov 19/24, subject to change |
| 2141239 ONTARIO INC. | 07512 39195525 002 | \$37,246.50 | \$3,414.58 | \$40,661.08 | \$20.40 | As at Nov 19/24, subject to change |
| | Sub Totals | \$189,840.30 | \$4,237.75 | \$194,078.05 | \$57.82 | |
| | | | | Total CAD Payout Amount (E.&O.E.) | \$194,078.05 | \$57.82 |

CAD LOC
 VISA

TOTAL \$1,554,238.16

PAID FEES: \$ 3,008.78
 \$ 2,954.39
 \$ 3,317.12
 \$ 2,444.92
 \$ 1,945.14
TOTAL \$ 13,670.35

This is Exhibit "Z" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)
Spencer Jones

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

STAR TOWERS LTD., 2141239 ONTARIO INC.,
and HAROON RASHID

Respondents


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

CONSENT

msi Spergel inc. HEREBY CONSENTS to the appointment as Receiver of the assets,
undertakings and properties of the respondents, Star Towers Ltd. and 2141239 Ontario
Inc., under the terms of an Order which will be sought from this Honourable Court in this
matter

DATED AT TORONTO, ONTARIO this 20th day of November, 2024

msi Spergel inc.

Per: 
As proposed Receiver and not in any other corporate or
personal capacity

This is Exhibit "AA" referred to in the Affidavit of Jerry Tsao sworn by Jerry Tsao at
the City of Toronto, in the Province of Ontario, before me on November 20, 2024 in
accordance with O.Reg.431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)
Spencer Jones

ROYAL BANK OF CANADA
Applicant

-and- STAR TOWERS LTD. et al
Respondents

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON

CONSENT

LERNERS LLP

225 King Street West, Suite 1600
Toronto ON M5V 3M2

Domenico N. Magisano LSO# 45725E
dmagisano@lernalers.ca
Tel: 416.601.4121

Spencer Jones LSO# 77350U
sjones@lernalers.ca
Tel: 416.601.2358

Lawyers for the Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

and

STAR TOWERS LTD., 2141239 ONTARIO INC., and
HAROON RASHID

Respondents

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

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing msi Spergel inc. as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Star Towers Ltd. ("**Star**") and 2141239 Ontario Inc. ("**214**", and together with Star are the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 55 Main St. E., Hamilton, Ontario.

ON READING the affidavit of Jerry Tsao sworn November 20, 2024, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and Respondents, no one else appearing, although duly served as appears from the affidavit of service of _____ sworn _____ and on reading the consent of msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

3. **THIS COURT ORDERS** that msi Spergel inc. is hereby appointed against the real property municipally known as 387-391 St. Paul Street, St. Catharines, Ontario, and 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario, and further described in **Schedule "A"** hereto (the "**Real Property**", and together with the Personal Property are the "**Property**").

RECEIVER'S POWERS

4. **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 Debtors, 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 Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, 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 Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$150,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

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

7. **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.

8. **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

9. **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 DEBTORS OR THE PROPERTY

10. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors 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 Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that all rights and remedies against the Debtors, 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 Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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

12. **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 Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

14. **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

15. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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

16. **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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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 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 \$50,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 "B"** 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 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the

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

GENERAL

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

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

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

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

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, 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 Debtors' estate with such priority and at such time as this Court may determine.

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

34. **THIS COURT ORDERS** that this Order, and all of its provisions are effective as of the date of this Order without any need for entry or filing.

SCHEDULE "A"
REAL PROPERTY

LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PIN 46219-0085

Being municipally known as 387-391 St. Paul St., St. Catharines, Ontario

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PIN 64107-0189

Being municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario

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 Star Towers Ltd. ("**Star**") and 2141239 Ontario Inc. ("**214**", and with Star are collectively the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the 14th day of January, 2025 (the "**Order**") made in an action having Court file number CV-24-0008154-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

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

Per: _____
Name:
Title:

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

Court File No. _____

Court File No. CV-24-0008154-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

PLAINTIFF[†]

Plaintiff

~~-and-~~

DEFENDANT

STAR TOWERS LTD., 2141239 ONTARIO INC., and
HAROON RASHID

Respondents

Defendant

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

ORDER
(appointing Receiver)

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

THIS ~~MOTION~~APPLICATION made by the ~~Plaintiff~~²Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing ~~[RECEIVER'S NAME]~~msi Spergel inc. as receiver ~~[and manager]~~ (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (the "~~Debtor~~Star Towers Ltd. ("Star") and 2141239 Ontario Inc. ("214, and together with Star are the "**Debtors**") acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, was heard this day at ~~330 University Avenue, Toronto~~55 Main St. E., Hamilton, Ontario.

ON READING the affidavit of ~~[NAME]~~Jerry Tsao sworn ~~[DATE]~~November 20, 2024, and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~the Applicant, and Respondents, no one else appearing ~~for [NAME]~~, although duly served as appears from the affidavit of service of ~~[NAME]~~ _____ sworn ~~[DATE]~~ _____ and on reading the consent of ~~[RECEIVER'S NAME]~~msi Spergel inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

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

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

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

without security, of all of the assets, undertakings and properties of the ~~Debtor~~Debtors acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof (the "Personal Property").

3. **THIS COURT ORDERS** that msi Spergel inc. is hereby appointed against the real property municipally known as 387-391 St. Paul Street, St. Catharines, Ontario, and 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario, and further described in Schedule "A" hereto (the "Real Property", and together with the Personal Property are the "Property").

RECEIVER'S POWERS

4. ~~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~~Debtors, 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~~Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;
- (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~~Debtors, 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~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby

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

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~150,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

~~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.~~

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

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. ~~4.~~ **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other

individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

7. ~~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.

8. ~~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

9. ~~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~~Debtors OR THE PROPERTY

10. ~~9.~~ **THIS COURT ORDERS** that no Proceeding against or in respect of the ~~Debtor~~Debtors 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~~Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. ~~10.~~ **THIS COURT ORDERS** that all rights and remedies against the ~~Debtor~~Debtors, 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~~Debtors to carry on any business which the ~~Debtor~~Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Debtors 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

12. ~~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~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

14. ~~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

15. ~~14.~~ **THIS COURT ORDERS** that all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor's~~Debtors' 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

16. ~~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~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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.

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

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

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 \$~~_____~~50,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 "AB"** 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~~Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

30. ~~29.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying

out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

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

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

34. **THIS COURT ORDERS that this Order, and all of its provisions are effective as of the date of this Order without any need for entry or filing.**

SCHEDULE "A"
REAL PROPERTY

LT 378 CP PL 2 GRANTHAM ; ST. CATHARINES

PIN 46219-0085

Being municipally known as 387-391 St. Paul St., St. Catharines, Ontario

LT 1 S/S OF DIVISION ST (DIFFIN BLK) PL 564 ; WELLAND

PIN 64107-0189

Being municipally known as 52-66 Hellems Avenue and 147 Division Street, Welland, Ontario

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]~~ Star Towers Ltd. ("**Star**") and 2141239 Ontario Inc. ("**214**", and with Star are collectively the "**Debtors**") acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "**Court**") dated the 14th day of January, 2025 (the "**Order**") made in an action having Court file number ~~CL~~ CV-24-0008154-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~ [msi Spergel inc.](#),
solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

~~388408139.1~~ [388826268.1](#)

| Summary report: | |
|--|------------|
| Litera Compare for Word 11.8.0.56 Document comparison done on 11/28/2024 1:49:41 PM | |
| Style name: Default Style | |
| Intelligent Table Comparison: Active | |
| Original DMS: iw://dms.lerners.ca/LEGAL/388826262/1 | |
| Modified DMS: iw://dms.lerners.ca/LEGAL/388826268/1 | |
| Changes: | |
| <u>Add</u> | 131 |
| Delete | 156 |
| Move From | 0 |
| <u>Move To</u> | 0 |
| <u>Table Insert</u> | 0 |
| Table Delete | 0 |
| <u>Table moves to</u> | 0 |
| Table moves from | 0 |
| Embedded Graphics (Visio, ChemDraw, Images etc.) | 0 |
| Embedded Excel | 0 |
| Format changes | 0 |
| Total Changes: | 287 |

ROYAL BANK OF CANADA
Applicant

-and- STAR TOWERS LTD. et al
Respondents

Court File No.: CV-24-0008154-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
HAMILTON

APPLICATION RECORD

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