

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

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2807823 ONTARIO INC.

Respondent

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

APPLICATION RECORD

October 20, 2023

**PALIARE ROLAND ROSENBERG
ROTHSTEIN LLP**
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1

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jeff.larry@paliareroland.com

Douglas Montgomery (LSO# 78082M)
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douglas.montgomery@paliareroland.com

Lawyers for the Applicant

TO: **FRIEDMANS**
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Toronto, ON M3C 3E5

Bill Friedman (LSO# 18420U)
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wf@friedmans.ca

**Lawyer for the Respondent,
2807823 Ontario Inc.**

AND TO: 8522146 CANADA INC.
c/o Trevor Rabie, President
E-mail: trevor@prive.capital
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Toronto, ON M5R 1J2

AND TO: RODALE CONSTRUCTION INC.
c/o Stephan Katmarian
E-mail: steve@katmarian.com

**AND TO: EVOKE SOLUTIONS
INCORPORATED**
c/o Jon Jeffrey Howard, President
E-mail: jhoward@evokesolutions.com
179 Howland Ave
Toronto, ON M5V 2K6

AND TO: WELLAND REAL ESTATE INC.
c/o Jon Jeffrey Howard, President
E-mail: jhoward@evokesolutions.com

AND TO: ELK CAPITAL LTD.
c/o Matthew Elkind, President
E-mail: matt@prive.capital

AND TO: 2807435 ONTARIO INC.
c/o Matthew Elkind, President
E-mail: matt@prive.capital

AND TO: QUEENSTON OAKDALE LIMITED
c/o Michael Corrado, President
E-mail: micorlandcorp@gmail.com

AND TO: TREVOR RABIE
E-mail: trevor@prive.capital

AND TO: MATTHEW ELKIND
E-mail: matt@prive.capital

AND TO: STEPHAN KATMARIAN
E-mail: steve@katmarian.com

AND TO: JON JEFFREY HOWARD
E-mail: jhoward@evokesolutions.com

AND TO: MICHAEL CORRADO
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AND TO: MINISTRY OF FINANCE
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33 King Street West, 6th Floor
Oshawa, ON L1H 8H5

Insolvency Unit
E-mail: insolvency.unit@ontario.ca

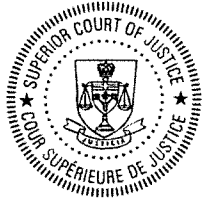
**AND TO: DEPARTMENT OF JUSTICE
CANADA**
Ontario Regional Office
120 Adelaide Street West
Toronto, ON M5H 1T1

Diane Winters
Tel: 416.973.3172
E-mail: diane.winters@justice.gc.ca

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Tab 1



Court File No:

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

B E T W E E N:

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Applicant

- and -

2807823 ONTARIO INC.

Respondent

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

NOTICE OF APPLICATION

TO THE RESPONDENT

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

THIS APPLICATION will come on for a hearing

- In person
- By telephone conference
- By video conference

at the following location: 330 University Ave, Toronto, Ontario, on a date to be set by the Court.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the

applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

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

Date

Issued by

Local registrar

Address of
court office

330 University Ave
Toronto, ON
M5G 1R8

TO **2807823 Ontario Inc.**
624 King Street West
Toronto ON
M5V 1M7

Respondent

APPLICATION

1. The Applicant will make an application for an order:

- (a) appointing RSM Canada Limited as receiver (the “Receiver”) of the Property (as defined below);
- (b) costs of the application; and,
- (c) such further and other relief which this Honourable Court deems appropriate and just.

2. The grounds for the application are:

The parties

2. The Applicant, First Source Financial Management Inc. (“First Source”), is an Ontario corporation in the business of providing commercial and other loans.
3. The respondent, 2807823 Ontario Inc. (“280”), is a business incorporated pursuant to the laws of Ontario, that owns the property located at 142 Queenston Street, St. Catharines, Ontario (the “Property”), having the PIN 46267-0101 (LT) and bearing the legal description LT 3500 CP PL 2 GRANTHAM: LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506.3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN R012400, R016696, R030189, R010700, R011444, R0321759, SCE18090; PT 1 30R1484; ITS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T R0535289, R0713328; CITY OF ST. CATHARINES.

The Loan

4. On November 19, 2021, First Source entered into a commitment (the “Commitment”) to loan 280 the principal amount of \$8,750,000, subject to the terms of a letter of commitment (the “Loan”).

5. The Loan transaction closed on January 31, 2022 at which time First Source advanced \$8,750,000 to 280.
6. The Loan was secured by, among other forms of security:
 - (a) a first mortgage (the “Mortgage”) against the Property registered in the amount of \$10,500,000 on January 31, 2022 in the Land Titles Division of Niagara North (No. 30) as Instrument No. NR603718 (the “Charge”);
 - (b) an assignment of rents, which was registered on January 31, 2022 in the Land Titles Division of Niagara North (No. 30) as Instrument No. NR603719;
 - (c) a promissory note; and
 - (d) a general security agreement.
7. First Source registered its security over the personal property of 280 under the *Personal Property Security Act* on January 31, 2022.
8. The interest on the Loan was as follows:
 - (a) up to and including May 31, 2023, the greater of 8.75% per annum or the CIBC prime rate plus 6.3%; and
 - (b) from and including June 1, 2023, the greater of 18% per annum or the CIBC prime rate plus 15.55%.
9. The Loan was due, in full, on June 8, 2023.
10. The Loan was guaranteed by the following guarantors: 8522146 Canada Inc.; Rodale Construction Inc.; Evoke Solutions Incorporated; Welland Real Estate Inc.; Elk Capital Ltd.; 2807435 Ontario

Inc.; Queenston Oakdale Limited; Trevor Rabie; Matthew Elkind; Stephan Katmarian; Jon Jeffrey Howard; and Michael Corrado.

The Loan is in default

11. 280 failed to repay the principal of the Loan, in whole or in part, despite the Loan maturing on June 8, 2023.
12. In addition to this default, 280 has also failed to pay any monthly interest since 280's last partial payment in May 2023.

The demands for payment

13. 280 is indebted to First Source in the total amount of \$10,045,649.92 (the "Debt") as of August 28, 2023, inclusive of interest, administrative fees and legal fees, all as contemplated by the Charge and Commitment.
14. On May 16, 2023, First Source made a written demand for payment and issued a Notice of Intention to Enforce Security under section 244 of the *Bankruptcy and Insolvency Act*.
15. A further demand for payment was made on July 24, 2023.
16. Despite the demands, the Loan remains in default.

The appointment of a receiver

17. First Source is entitled under the terms of the Loan to appoint a Receiver in the event the Loan is in default.
18. The appointment of a Receiver is necessary, just and convenient.
19. RSM Canada Limited has consented to its appointment as Receiver, if so appointed.
20. Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

21. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.
22. Rules 16.08 and 3.02 of the *Rules of Civil Procedure*; and
23. Such further and other grounds as counsel may advise.

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

- (a) the affidavit of Steven Walters, to be sworn, and the exhibits thereto;
- (b) the consent of RSM Canada Limited; and
- (c) such further and other evidence as counsel may advise and this Honourable Court may permit.

August 31, 2023

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First Source Financial Management Inc.
Applicant

-and-
Respondent

2807823 Ontario Inc.
Respondent

Court File No

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO**

NOTICE OF APPLICATION

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington Street West, 35th Floor
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Lawyers for the Applicant

Tab 2

**ONTARIO
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B E T W E E N:

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**APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*,
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R.S.O. 1990, c. C.43**

AFFIDAVIT OF STEVEN WALTERS

I, **STEVEN WALTERS**, of the City of Toronto, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am Senior Vice President of Business Development at First Source Mortgage Corporation, and as such have knowledge of the matters contained in this affidavit. Where I do not have direct knowledge, I state the source of my knowledge and believe it to be true.
2. First Source Financial Management Inc. ("First Source") holds a mortgage over the property located at 142 Queenston Street in the City of St. Catharines (the "Property").
3. The respondent, 2807823 Ontario Inc. ("280"), is the owner of the Property. 280 failed to repay the mortgage when it became due on June 8, 2023, and,

accordingly, First Source has commenced this application for the appointment of a receiver.

A. The Parties

4. First Source is an Ontario corporation in the business of providing mortgage financing. It is the first and only mortgagee on the Property (as defined below).
5. 280 is an Ontario corporation that owns the Property. A corporation profile report for 280 is attached as **Exhibit A**.
6. The Property has the following legal description:

PIN 46267-0101 (LT); LT 3500 CP PL 2 GRANTHAM: LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506.3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN R012400, R016696, R030189, R010700, R011444, R0321759, SCE18090; PT 1 30R1484; ITS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T R0535289, R0713328; CITY OF ST. CATHARINES

A copy of a title search for the Property dated October 17, 2023, is attached as **Exhibit B**.

7. The Property consists of residential lands that are subject to a proposal to be developed into mixed residential and commercial buildings. The Property is the former site of the St. Catharines General Hospital.

B. The Loan

8. On November 19, 2021, First Source extended a Letter of Commitment to 280 contemplating a mortgage loan transaction. The Letter of Commitment was fully

executed by First Source and 280 on November 22, 2021. A copy of the Letter of Commitment is attached as **Exhibit C**.

9. The Letter of Commitment contemplated a loan facility of \$8,750,000 (the “Loan”), all of which has been advanced by First Source.

10. 280’s obligations under the Loan are guaranteed by the following corporations and individuals:
 - (a) 8522146 Canada Inc.;
 - (b) Rodale Construction Inc.;
 - (c) Evoke Solutions Incorporated;
 - (d) Welland Real Estate Inc.;
 - (e) Elk Capital Ltd;
 - (f) 2807435 Ontario Inc.;
 - (g) Queenston Oakdale Limited;
 - (h) Trevor Rabie;
 - (i) Matthew Elkind;
 - (j) Stephan Katmarian; and,
 - (k) Jon Jeffrey Howard.

11. The individual guarantors are also officers and/or directors of the various corporate guarantors. The Guarantee and Postponement of Claim, dated January 28, 2022, is attached as **Exhibit D**.

C. Charges on the Property

12. The Loan was secured by the following charges registered on January 30, 2022 against the Property:
 - (a) a first mortgage (the "Mortgage") against the Property registered in the amount of \$10,500,000 on January 31, 2022 in the Land Titles Division of Niagara North (No. 30) as Instrument No. NR603718 (the "Charge"), which is attached as **Exhibit E**; and,
 - (b) a General Assignment of Rents which was registered on January 31, 2022 in the Land Titles Division of Niagara North (No. 30) as Instrument No. NR603719, and which is attached as **Exhibit F**.

13. The Charge expressly provides that First Source can appoint a receiver if the Loan is in default (at page 13 of Schedule A in the charge document).
14. The title search for the Property (attached above as Exhibit B), shows that there are no other charges registered against the Property.

D. Interest Rates and Principal Amount

15. The parties and the guarantors executed a separate Acknowledgement re Interest Rate and Principal Amount dated January 28, 2022 (the "Acknowledgment"), which

the parties agreed would take priority over terms of the Charge and the Promissory Note.

16. The Acknowledgment specified that the principal amount of the Loan was \$8,750,000, and that the interest rate on the Loan was as follows:
 - (a) up to and including May 31, 2023, the greater of 8.75% per annum or the CIBC prime rate plus 6.3%; and
 - (b) from and including June 1, 2023, the greater of 18% per annum or the CIBC prime rate plus 15.55%.
17. The Acknowledgement is attached as **Exhibit G**.

E. Additional Security – Personal Property

18. In addition to security over the Property, First Source also has security over the personal property of 280 by way of a General Security Agreement, a copy of which is attached as **Exhibit H**.
19. First Source registered its security over the personal property of 280 under the *Personal Property Security Act* (“PPSA”) on January 30, 2022.
20. The search results under the PPSA Registration System are attached as **Exhibit I**. The search results reflect that there are no other registrations that exist against 280 in Ontario.

F. Default and Demand for Payment

21. The Loan matured on June 8, 2023 at which time the entire principal of the Loan was due. 280 failed to repay any amount of the principal.
22. Prior to the failure to repay the Loan on maturity, there were multiple events of default of the Loan.
23. 280 paid only \$23,711.32 of the total interest of \$94,845.47 that was due May 1, 2023.
24. Since the partial payment of interest for May 2023, 280 has failed to pay any monthly interest..
25. On May 16, 2023, First Source made a written demand for payment and issued a Notice of Intention to Enforce Security under section 244 of the *Bankruptcy and Insolvency Act* (“section 244 Notice”). A copy of the section 244 Notice is attached as **Exhibit J**.
26. At the time of the demand, 280 owed First Source \$8,828,959.16.
27. Further demand letters were sent on June 20, 2023 and on July 24, 2023.

G. The Forbearance Agreement

28. On September 5, 2023, the parties entered into a forbearance agreement (the “Forbearance Agreement”). The Forbearance Agreement is attached at **Exhibit K**.
29. The key terms of the Forbearance Agreement include:

- (a) First Source agreed to forbear on any enforcement proceedings until 5:00 pm on September 29, 2023 (the “Forbearance Period”);
 - (b) 280 acknowledged that as of August 28, 2023, 280 was indebted to First Source in the total amount of \$9,644,391.97;
 - (c) 280 acknowledged that interest continued to accrue in the per diem amount of \$5,857.57;
 - (d) 280 consented to an order for a receiver at the end of the Forbearance Period if it did not repay the debt to First Source. In particular, 280 consented to a receivership in the form of the order attached as Schedule B to the Forbearance Agreement, and further consented to judgment in this application in the form attached as Schedule C to the Forbearance Agreement.
30. 280 did not pay the debt in full (or in any amount) by September 29, 2023, as required under the terms of the Forbearance Agreement.

280 Purportedly Entered into an Agreement to Sell the Property

31. On the morning of September 29, 2023 (the last day of the Forbearance Period), 280’s counsel, William Friedman, sent an email to First Source’s counsel, Jeffrey Larry, attaching an Agreement of Purchase and Sale with 1000344633 Ontario Inc. (another client of Mr. Friedman’s law firm) for the Property with a closing date of November 15, 2023. In his email, Mr. Friedman sought an extension of the Forbearance Period to November 30, 2023 to permit the purported transaction to

close. A copy of Mr. Friedman's e-mail dated September 29, 2023 (without the purported Agreement of Purchase and Sale) is attached as **Exhibit L**.

32. Mr. Larry responded immediately to advise that while First Source would not agree to an extension, if First Source obtained sufficient that it appeared likely that the transaction would close, then First Source would either: (i) seek the issuance of the receivership order on November 1 with an effective date of November 16, 2023 or (ii) ask the judge on November 1 if the parties could return before to him or her immediately after November 15 to get a receivership order if the transaction did not close. In the same email, Mr. Larry asked for confirmation that the deposit due under the Agreement of Purchase and Sale was actually made. A copy of Mr. Larry's September 29, 2023 reply is attached as **Exhibit M**.
33. Mr. Larry followed up with Mr. Friedman several times over the next week but First Source never received confirmation that any deposit was paid.
34. Since that time, Trevor Rabie, on behalf of 280, has advised me on several occasions that a new agreement of purchase and sale was forthcoming with a different purchaser but that has failed to occur. I also note that prior to entering into the Forbearance Period, Mr. Rabie assured me repeatedly that various agreements of purchase and sale (and refinancing commitments) were imminent but none ever materialized.
35. As of October 17, 280 is indebted to First Source in the amount of \$9,952,460.99. A discharge statement summarizing 280's indebtedness is attached as **Exhibit N**.

H. Current State of the Property

36. The Property has not yet been developed. To my understanding, 280 submitted application to the City of St. Catharines for an Official Plan Amendment, Zoning By-law Amendment, and Draft Plan of Subdivision for the Property. These amendments are necessary to permit the proposed development of the Property.
37. The City hosted an open house on April 6, 2023, in order to solicit public feedback on the proposed plan. To my knowledge, city staff have not yet prepared a recommendation regarding the development, and a decision has not yet been made by city council regarding 280's proposed application.

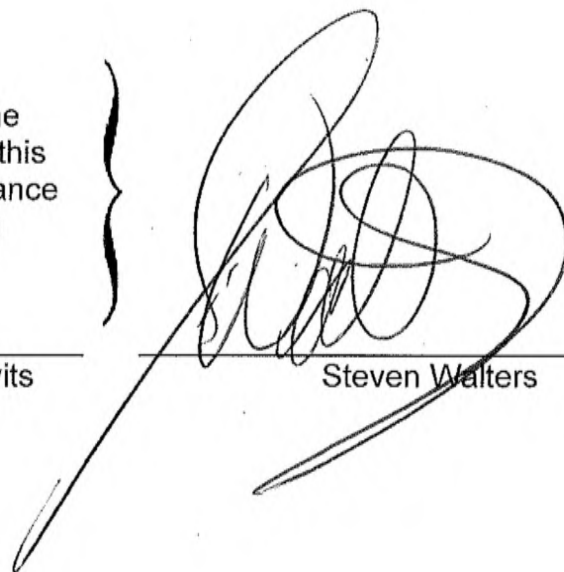
I. This Application

38. First Source seeks the appointment of RSM Canada Limited to act as Receiver of the Property.
39. Given that the Property is not actively being developed, it is First Source's view that an immediate sale of the Property is necessary in order for 280 to satisfy the outstanding debt.

AFFIRMED remotely by Steven Walters at the City of Toronto, in the Province of Ontario, before me on this ~~20th~~ day of October, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely

J. Montgomery

Commissioner for Taking Affidavits



A large, stylized handwritten signature in black ink, appearing to read 'Steven Walters', is written over a horizontal line. The signature is highly cursive and loops around itself.

Steven Walters

This is **Exhibit A**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in black ink that reads "J. Montgomery". The signature is written in a cursive style with a large initial "J" and a distinct "Montgomery" following.

Commissioner for Taking Affidavits (or as may be)



Profile Report

2807823 ONTARIO INC. as of October 17, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2807823 ONTARIO INC.
Ontario Corporation Number (OCN)	2807823
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 13, 2021
Registered or Head Office Address	624 King Street West, Toronto, Ontario, Canada, M5V 1M7

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)

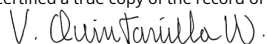
Minimum Number of Directors 1
Maximum Number of Directors 10

Name MATTHEW ELKIND
Address for Service 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Resident Canadian Yes
Date Began January 13, 2021

Name JON JEFFREY HOWARD
Address for Service 116 Spadina Avenue, 202, Toronto, Ontario, Canada, M5V 2K6
Resident Canadian Yes
Date Began January 13, 2021

Name TREVOR RABIE
Address for Service 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Resident Canadian Yes
Date Began January 13, 2021

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



Director/Registrar

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Active Officer(s)

Name MATTHEW ELKIND
Position President
Address for Service 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Date Began March 03, 2021

Name JON JEFFREY HOWARD
Position Vice-President
Address for Service 116 Spadina Avenue, 202, Toronto, Ontario, Canada, M5V 2K6
Date Began January 13, 2021

Name TREVOR RABIE
Position Secretary
Address for Service 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Date Began January 13, 2021

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V. Quintanilla W.

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Corporate Name History

Name

2807823 ONTARIO INC.

Effective Date

January 13, 2021

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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

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: MATTHEW ELKIND - OFFICER	April 19, 2021
CIA - Initial Return PAF: TREVOR RABIE - OFFICER	January 25, 2021
BCA - Articles of Incorporation	January 13, 2021

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.



Rapport de profil

2807823 ONTARIO INC. en date du 17 octobre 2023

Loi	Loi sur les sociétés par actions
Type	Société par actions de l'Ontario
Dénomination	2807823 ONTARIO INC.
Numéro de société de l'Ontario	2807823
Autorité législative responsable	Canada - Ontario
Statut	Active
Date de constitution	13 janvier 2021
Adresse légale ou du siège social	624 King Street West, Toronto, Ontario, Canada, M5V 1M7

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Administrateurs en fonction

Nombre minimal d'administrateurs 1
Nombre maximal d'administrateurs 10

Dénomination MATTHEW ELKIND
Adresse aux fins de signification 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Résident canadien Oui
Date d'entrée en fonction 13 janvier 2021

Dénomination JON JEFFREY HOWARD
Adresse aux fins de signification 116 Spadina Avenue, 202, Toronto, Ontario, Canada, M5V 2K6
Résident canadien Oui
Date d'entrée en fonction 13 janvier 2021

Dénomination TREVOR RABIE
Adresse aux fins de signification 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Résident canadien Oui
Date d'entrée en fonction 13 janvier 2021

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1^{er} avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Dirigeants en fonction

Dénomination MATTHEW ELKIND
Poste Président de la société
Adresse aux fins de signification 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Date d'entrée en fonction 03 mars 2021

Dénomination JON JEFFREY HOWARD
Poste Vice-président de la société
Adresse aux fins de signification 116 Spadina Avenue, 202, Toronto, Ontario, Canada, M5V 2K6
Date d'entrée en fonction 13 janvier 2021

Dénomination TREVOR RABIE
Poste Secrétaire
Adresse aux fins de signification 624 King Street West, Toronto, Ontario, Canada, M5V 1M7
Date d'entrée en fonction 13 janvier 2021

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Historique des dénominations sociales

Nom	2807823 ONTARIO INC.
Date d'entrée en vigueur	13 janvier 2021

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1^{er} avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Noms commerciaux en vigueur

Cette personne morale n'a aucun nom commercial actif enregistré en vertu de la Loi sur les noms commerciaux de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Noms commerciaux expirés ou révoqués

Les noms commerciaux actifs enregistrés de cette personne morale en vertu de la Loi sur les noms commerciaux de l'Ontario sont expirés ou annulés.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Liste de documents

Nom du dépôt	Date d'entrée en vigueur
CIA - Avis de modification PRE: MATTHEW ELKIND - OFFICER	19 avril 2021
CIA - Rapport initial PRE: TREVOR RABIE - OFFICER	25 janvier 2021
BCA - Statuts constitutifs	13 janvier 2021

Tous les renseignements de la « PRE » (personne autorisant le dépôt) sont affichés exactement tels qu'ils sont enregistrés dans le Registre des entreprises de l'Ontario. Lorsque la PRE ne figure pas sur un document, les renseignements n'ont pas été enregistrés dans le Registre des entreprises de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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This is **Exhibit B**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script that reads "J. Montgomery". The signature is written in black ink and is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

LAND
REGISTRY
OFFICE #30

46267-0101 (LT)

PAGE 1 OF 9
PREPARED FOR MEREDITH FRANCIS
ON 2023/10/17 AT 13:43:29

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

PROPERTY DESCRIPTION: LT 3500 CP PL 2 GRANTHAM; LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506-3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; PT 1 30R1484; LTS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T RO535289, RO713328;; CITY OF ST. CATHARINES

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
CONSOLIDATION FROM 46267-0097, 46267-0100

PIN CREATION DATE:
2011/11/29

OWNERS' NAMES
2807823 ONTARIO INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2011/11/29 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2003/11/24 **						
SCT1559	1870/05/06	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL AND MARINE HOSPITAL	
SCE1275	1882/10/06	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE CORPORATION OF THE ST. CATHARINES GENERAL AND MARINE HOSPITAL	
SCE5033	1910/03/05	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL AND MARINE HOSPITAL	
SCE10686	1920/12/10	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	ST. CATHARINES GENERAL AND MARINE HOSPITAL	
SCE12468	1923/08/28	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** MAHAFFY BROTHERS, LIMITED	ST. CATHARINES GENERAL AND MARINE HOSPITAL	
SCE18090	1934/11/15	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***		

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

46267-0101 (LT)

PREPARED FOR MEREDITH FRANCIS
ON 2023/10/17 AT 13:43:29

* 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
NC830	1936/11/05	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC11587	1944/05/16	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
					THE ST. CATHARINES GENERAL HOSPITAL	
					REMARKS: PLAN ATTACHED	
NC13805	1945/05/28	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC13810	1945/05/29	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC14034	1945/06/22	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC14593	1945/09/14	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC18224	1946/12/19	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC19519	1947/06/27	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC27582	1950/05/20	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC33874	1952/07/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC33875	1952/07/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
NC33876	1952/07/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO10700	1956/11/06	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO11444	1956/11/27	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
RO12400	1956/12/27	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO16696	1957/05/24	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO26405	1958/03/17	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO27678	1958/04/25	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO30189	1958/06/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO37188	1959/01/15	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO40571	1959/04/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO54422	1960/05/16	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO73090	1961/11/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO73095	1961/11/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO75754	1962/01/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
	<i>REMARKS: PLAN ATTACHED</i>					
RO77692	1962/04/04	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO105771	1964/05/15	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO115787	1964/12/28	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
RO132620	1965/12/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO138009	1966/05/02	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO145594	1966/10/11	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO146537	1966/10/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	ST. CATHARINES GENERAL HOSPITAL	
RO150429	1967/01/31	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO153108	1967/04/06	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO154806	1967/05/12	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO156249	1967/06/12	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO158914	1967/08/02	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO161995	1967/10/05	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO225490	1971/06/14	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO256100	1972/11/08	AGREEMENT				C
		REMARKS: SKETCH ATTACHED. ENCROACHMENT				
RO295503	1974/06/21	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
30R1327	1975/09/12	PLAN REFERENCE				C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
RO321759	1975/10/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO323592	1975/10/30	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
30R1484	1976/01/12	PLAN REFERENCE				C
RO328948	1976/01/27	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	THE ST. CATHARINES GENERAL HOSPITAL	
RO493091	1985/03/04	NOTICE <i>REMARKS: ZONING REGULATIONS</i>				C
30R4455	1986/05/12	PLAN REFERENCE				C
RO535289	1987/02/25	TRANSFER EASEMENT			THE CITY OF ST. CATHARINES	C
30R8539	1996/05/22	PLAN REFERENCE <i>REMARKS: RO132620</i>				C
RO713328	1996/07/29	TRANSFER EASEMENT			BELL CANADA	C
30R11563	2005/08/23	PLAN REFERENCE				C
RO824046	2011/11/10	NOTICE <i>REMARKS: SCE12468</i>		*** DELETED AGAINST THIS PROPERTY *** NIAGARA HEALTH SYSTEM		
NR283923	2011/11/10	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** THE ST. CATHARINES GENERAL HOSPITAL	NIAGARA HEALTH SYSTEM	
NR284845	2011/11/23	APL CONSOLIDATE		NIAGARA HEALTH SYSTEM		C
NR326176	2013/05/30	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>		*** COMPLETELY DELETED *** NIAGARA HEALTH SYSTEM	2374588 ONTARIO INC.	
NR433527	2016/12/12	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>		*** COMPLETELY DELETED *** 2374588 ONTARIO INC.	QUEENSTON OAKDALE LIMITED	
NR445242	2017/04/28	CHARGE		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
NR459162	2017/09/08	CONSTRUCTION LIEN		QUEENSTON OAKDALE LIMITED *** COMPLETELY DELETED *** BUDGET ENVIRONMENTAL DISPOSAL INC.	1554958 ONTARIO LIMITED AMOND MANAGEMENT INC. BONDI, ANTHONY	
NR463658	2017/10/24	APL DEL CONST LIEN		*** COMPLETELY DELETED *** BUDGET ENVIRONMENTAL DISPOSAL INC.		
		<i>REMARKS: NR459162.</i>				
NR465761	2017/11/15	NOTICE		*** COMPLETELY DELETED *** QUEENSTON OAKDALE LIMITED		
		<i>REMARKS: NR445242</i>				
NR467833	2017/12/06	APL GOVT ORDER		*** COMPLETELY DELETED *** THE CORPORATION OF THE CITY OF ST. CATHARINES		
NR468417	2017/12/13	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** HALLEX ENVIRONMENTAL LTD.		
NR470381	2018/01/08	APL DEL CONST LIEN		*** COMPLETELY DELETED *** HALLEX ENVIRONMENTAL LTD.		
		<i>REMARKS: NR468417.</i>				
NR470981	2018/01/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1554958 ONTARIO LIMITED AMOND MANAGEMENT INC. BONDI, ANTHONY		
		<i>REMARKS: NR445242.</i>				
NR470982	2018/01/12	CHARGE		*** COMPLETELY DELETED *** QUEENSTON OAKDALE LIMITED	1478428 ONTARIO LTD.	
NR485996	2018/07/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1478428 ONTARIO LTD.		
		<i>REMARKS: NR470982.</i>				
NR485998	2018/07/12	CHARGE		*** COMPLETELY DELETED *** QUEENSTON OAKDALE LIMITED	BRIARLANE DEVELOPMENTS INC.	
NR495157	2018/10/25	APL (GENERAL)		*** COMPLETELY DELETED *** THE CORPORATION OF THE CITY OF ST. CATHARINES		

LAND
REGISTRY
OFFICE #30

46267-0101 (LT)

PREPARED FOR MEREDITH FRANCIS
ON 2023/10/17 AT 13:43:29

* 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
		<i>REMARKS: DELETES NR467833</i>				
NR504246	2019/02/15	NOTICE		*** COMPLETELY DELETED *** QUEENSTON OAKDALE LIMITED	BRIARLANE DEVELOPMENTS INC.	
		<i>REMARKS: NR485998</i>				
NR504934	2019/02/27	TRANSFER		*** COMPLETELY DELETED *** QUEENSTON OAKDALE LIMITED	BALLANTRY (QUEENSTON) INC.	
		<i>REMARKS: PLANNING ACT STATEMENTS.</i>				
NR504935	2019/02/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** BRIARLANE DEVELOPMENTS INC.		
		<i>REMARKS: NR485998.</i>				
NR564770	2021/01/22	TRANSFER	\$2	BALLANTRY (QUEENSTON) INC.	2807823 ONTARIO INC.	C
		<i>REMARKS: PLANNING ACT STATEMENTS.</i>				
NR564771	2021/01/22	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	BALLANTRY HOMES (ST. CATHARINES) INC.	
NR564774	2021/01/22	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	ELKIND, GENIA ELKIND, STANLEY	
NR564992	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	TOBIN GROUP CAPITAL INCORPORATED	
NR564993	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	8521446 CANADA INC	
NR564994	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	BALLEM NGL INC.	
NR564995	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807435 ONTARIO INC.	TOBIN GROUP CAPITAL INC	
NR565066	2021/01/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** TOBIN GROUP CAPITAL INCORPORATED		
		<i>REMARKS: NR564992.</i>				
NR565068	2021/01/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** 8521446 CANADA INC		
		<i>REMARKS: NR564993.</i>				

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
NR565069	2021/01/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** TOBIN GROUP CAPITAL INC		
	<i>REMARKS: NR564995.</i>					
NR565070	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC	TOBIN GROUP CAPITAL INC.	
NR565071	2021/01/27	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	EVOKE SOLUTIONS INCORPORATED	
NR573013	2021/04/16	APL (GENERAL)		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.		
	<i>REMARKS: DELETES RO824046</i>					
NR573467	2021/04/22	CHARGE		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	VECTOR FINANCIAL SERVICES LIMITED	
NR573468	2021/04/22	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.	VECTOR FINANCIAL SERVICES LIMITED	
	<i>REMARKS: NR573467.</i>					
NR573469	2021/04/22	POSTPONEMENT		*** COMPLETELY DELETED *** ELKIND, GENIA ELKIND, STANLEY	VECTOR FINANCIAL SERVICES LIMITED	
	<i>REMARKS: NR564774 TO NR573467 AND NR573468</i>					
NR573470	2021/04/22	POSTPONEMENT		*** COMPLETELY DELETED *** BALLEM NGL INC.	VECTOR FINANCIAL SERVICES LIMITED	
	<i>REMARKS: NR564994 TO NR573467</i>					
NR573471	2021/04/22	POSTPONEMENT		*** COMPLETELY DELETED *** TOBIN GROUP CAPITAL INC.	VECTOR FINANCIAL SERVICES LIMITED	
	<i>REMARKS: NR565070 TO NR573467</i>					
NR573472	2021/04/22	POSTPONEMENT		*** COMPLETELY DELETED *** EVOKE SOLUTIONS INCORPORATED	VECTOR FINANCIAL SERVICES LIMITED	
	<i>REMARKS: NR565071 TO NR573467</i>					
NR573533	2021/04/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** BALLANTRY HOMES (ST. CATHARINES) INC.		
	<i>REMARKS: NR564771.</i>					

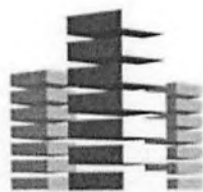
REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
NR573586	2021/04/22	RESTRICTION-LAND		*** COMPLETELY DELETED *** 2807823 ONTARIO INC.		
		REMARKS: NO FURTHER CHARGE OF SUCH	LANDS WITHOUT THE	PRIOR CONSENT OF VECTOR FINANCIAL SERVICES LIMITED.		
NR603705	2022/01/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
		REMARKS: NR573467.				
NR603706	2022/01/31	APL DELETE REST		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
		REMARKS: NR573586.				
NR603718	2022/01/31	CHARGE	\$10,500,000	2807823 ONTARIO INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
NR603719	2022/01/31	NO ASSGN RENT GEN		2807823 ONTARIO INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
		REMARKS: NR603718.				
NR603740	2022/01/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** ELKIND, GENIA ELKIND, STANLEY		
		REMARKS: NR564774.				
NR603741	2022/01/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** BALLEM NGL INC.		
		REMARKS: NR564994.				
NR603742	2022/01/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** EVOKE SOLUTIONS INCORPORATED		
		REMARKS: NR565071.				
NR603743	2022/01/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** TOBIN GROUP CAPITAL INC.		
		REMARKS: NR565070.				
NR616240	2022/06/03	APL DEPOSIT PLAN		*** COMPLETELY DELETED ***		
30R15952	2022/06/06	PLAN REFERENCE				C
		REMARKS: NR616240.				

This is **Exhibit C**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)



FIRST SOURCE
MORTGAGE CORPORATION

COMMITMENT LETTER

Matt Elkind
2807823 Ontario Inc.
624 King Street W
Toronto ON, Ontario
L7N 3T2

November 19, 2021

By email only: matt@prive.capital

Re: First Mortgage Construction Financing – To refinance the residential lands located at the municipal address 142 Queenstown Street, St. Catharines, Ontario, specifically PIN 462670101. The subject property is located within Downtown St. Catharines, in a desirable residential neighborhood with multiple community and recreational centers nearby. Geographically, the site is located in between Prince Street and Oakdale Avenue and 2 kilometers South of the Queen Elizabeth Way (QEW). The subject site is proposed to be developed into 912 residential units with a total Residential Gross Floor Area of 820,533 square feet and Commercial Gross Floor Area of 32,743 square feet per IBI Report dated September 2021. (Collectively the “**Property**”).

Dear Sir/Madame:

FIRST SOURCE MORTGAGE CORPORATION on behalf of its syndicate partner (“**First Source**”, First Source Financial Management Inc. or the “**Lender(s)**”), licensed under the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, is pleased to advise you, **2807823 Ontario Inc.** (Collectively the “**Borrower**”), that the Borrower’s recent application for a loan to be secured by a first mortgage has been approved subject to the following terms and conditions:

MORTGAGE DETAILS

ARTICLE 1.00

1.01 Loan Amount: The lesser of: (i) **\$8,750,000** or (ii) 62.91% of the satisfactory Appraised "As-Is" Value for the subject Property. An appraisal is to be prepared by a Bona Fide appraiser approved by the Lender. (the "Loan" or "Loan Facility").

1.02 Interest Rate: The higher of (i) **8.75%** or (ii) CIBC Prime + 6.30% per annum calculated monthly with no deemed re-investment of monthly payments on the principal outstanding during the first 16 months after the interest adjustment date.

The higher of (i) 18.00% or (ii) CIBC Prime + 15.55% per annum calculated monthly with no deemed re-investment of monthly payments on the principal outstanding for the final 7 days of the term. After 16 months and 7 days from the interest adjustment date, unless an extension agreement was previously arranged executed in writing between the Borrower and Lender, the rate on funds advanced shall be fixed at the higher of (i) 18.00% or (ii) CIBC Prime + 15.55% per annum calculated and payable monthly with no deemed re-investment of monthly payments on the principal outstanding until discharged.

This Loan will be administered on behalf of the Lender(s), and where applicable, at a cost to the Lender(s) of approximately .75% which cost is subject to any H.S.T. (the "HST Administration Tax"). The HST Administration Tax only is for the account of the Borrower and an estimated amount is to be deducted from the Loan Advance. The Lender shall advise the Borrower of the HST Administration Tax on or before Closing.

The Charge and Promissory Note shall provide for an interest rate of 18% per annum. The Lender shall only be entitled to interest as determined by the interest rate as set out herein or any amendment to this Commitment which the Borrowers(s) may enter into with the Lender after the date hereof. This provides the Borrower(s) with more flexibility, within the principal amount set out in the Charge, if interest rates are amended, so that the Lender may be in a position to provide amendments to the Commitment/Promissory Note without requiring an amendment to the Charge being registered on title to the Property.

1.03 Term: 16 months plus 7 days from the Interest Adjustment Date PROVIDED, that, notwithstanding anything herein before provided, upon the Maturity Date of the Charge, the Chargee shall be entitled to enter into an agreement with the Chargor to extend the Maturity Date, increase the interest rate or amend any of the other terms of this Charge without the requirement to obtain the postponement of any subsequent encumbrancer to such amendments and any subsequent encumbrancers shall take title to their security subject to this provision and be subordinated to such amendments.

1.04 Amortization: Nil.

1.05 Guarantor: 100% Corporate Guarantee from 8521446 Canada Inc., Rodale Construction Inc., Evoke Solutions Inc., Welland Real Estate Inc., Elk Capital Investment Holdings Ltd., 2807435 Ontario Inc., Queenston Oakdale Limited.

100% Personal Guarantee from Trevor Rabie, Matthew Elkind, Stephan Katmarian, Jeff Howard, Michael Corrado, and any other entities having a beneficial interest in the Property on a joint and several basis. Guarantees to be satisfactory to the Lender at its sole and absolute discretion.

- 1.06 Repayment:** Interest Only. Payable monthly on the 1st day of the month and compounded monthly from the full interest reserve.
- 1.07 Interest Adjustment Date:** The 1st day of the month following the first advance.
- 1.08 Closing Date:** The funds shall be advanced not later than 5 business days after the Lender confirms the conditions for the advance have been satisfied or waived, but not later than **January 31st, 2021**. If the date of the advance is more than 10 business days past the aforesaid date, this commitment will be at our option, null and void. In the event First Source agrees to an extension of more than 10 business days beyond the date specified, the new rate and any costs attributable thereto, will be subject to the then current market terms and conditions as at that date.
- 1.09 Prepayment Privileges:** Closed for 6 months, and then open on any payment date with 30 days prior written notice and the payment of one month's interest as a bonus or with 60 days' notice and no bonus.
- 1.10 Purpose:** To refinance the subject property, provide a full term of interest reserve, recapitalization on development expenses and provide funding for lender fee and closing and arranging costs.
- 1.11 Security:**
- 1) Promissory Note from the Borrower.
 - 2) First Charge on the Property in favour of First Source Financial Management Inc. that is registered at 1.20x the total loan amount.
 - 3) First General Security Agreement ("GSA") against all personal property of the Borrower.
 - 4) First Assignment of insurance for the Property
 - 5) Fraud, Misrepresentation, and Environmental Indemnity Agreement
 - 6) First Assignment of all permits, plans, approvals, construction contracts, and other contracts held or in possession of the Borrower as reasonably required by the Lender for the continuing operation and/or development of the subject Property, if applicable
 - 7) Guarantees as aforesaid
 - 8) Subordination and Postponement of Claim from shareholders of the Borrower.
 - 9) Mortgage to include a covenant of no subsequent financing without the written consent of the Lender, which may be unreasonably withheld.
 - 10) First Assignment of all Purchase and Sales Agreements and/or Lease Agreements (if applicable) for the Condominium/Townhouse Units to be developed on the subject Property
 - 11) The Borrower and Guarantors shall execute a Negative Pledge with respect to Shareholder Loans, Shares, Dividends, interest, fees, charges, expenses or other amounts accruing or owed on loans owing by the Borrower or Guarantors or otherwise compensate or pay any amounts, or permit to be compensated or paid any amounts, to any of the undersigned, the directors, officers, shareholders or employees of the undersigned or any other sponsors of the Property in each case until such time as the Loan has been repaid in full.

12) Such other reasonable legal security as requested by the Lender and/or its legal counsel.

LENDER FEES

ARTICLE 2.00

2.01 Lender Fee: In consideration of First Source obtaining this Commitment, the Borrower hereby agrees to pay a fee (the “Lender Fee”) in the amount of **2.00%** of the Loan Amount;

- a) **\$60,000** by cheque upon acceptance of this Commitment (the “**Second Deposit**”). Note that this payment is in addition to the initial **\$30,000** (the “**First Deposit**”) which was received upon sign back of the Non-Binding Letter of Interest. The entire First and Second Deposit shall be applied in satisfaction of the Lender Fee or all of the First and Second Deposit shall be forfeited if the Mortgage Amount is not advanced by the Lender due to any cause whatsoever save and except default of the Lender.

Note that the Lender charges certain disbursement costs and administration costs which may total as much as \$1,500 which are non-refundable once a commitment is signed and is typically deducted from the closing proceeds of the Loan or from any commitment deposit.

- b) The balance of the Lender Fee shall be payable from the closing proceeds on the closing date. The Lender Fee is deemed earned upon acceptance and execution of this Commitment. The Borrower acknowledges that the Lender Fee is a reasonable estimate of the Lender’s costs incurred in sourcing, investigating and underwriting and preparing the Loan.

SOURCE AND USE OF FUNDS

Source of Funds		Use of Funds	
FSMC Loan	\$ 8,750,000	Refinance Existing Debt	\$ 6,840,000
		Full Interest Reserve	\$ 1,020,833
		Recapitalization	\$ 704,167
		Est. Closing and Arranging Costs	\$ 185,000
Total	\$ 8,750,000	Total	\$ 8,750,000

CONDITIONS OF THIS COMMITMENT

ARTICLE 3.00

3.01 Lender Conditions: This Commitment is conditional for the benefit of the Lender upon the Borrower providing First Source with satisfactory evidence of the following prior to the advance:

- a) **Appraisal:** Review and approval by the Lender of an appraisal, by the Lender’s approved appraiser, addressed to the Lender and its lender clients, or if acceptable to the Lender, a Reliance Letter provided by the appraiser confirming the “**As-Is**” Value of not less than **\$13,910,000** for subject Property. The Appraisal is for the account of the Borrower.
- b) **Environmental:** Review and approval by the Lender of an Environmental Indemnity Agreement, a current satisfactory Phase I Environmental Report, and if required by the Lender’s Environmental Consultant a Phase II Environmental Site Assessment Report. Confirmation of Record of Site Condition is also required (if applicable). All Environmental reports are to be addressed to the Lender and its lender clients, or a

Reliance Letter to be provided, by a Lender approved environmental firm. An environmental indemnity agreement is required as part of the security package.

- c) **Credit Rating:** Review of the Borrower's financial position including without limiting the generality of the foregoing, recent financial statements, credit bureau reports, notices of assessment, statements of Net Worth. The Borrower and Guarantor hereby consent to credit inquiries and to any disclosure of personal or credit information to any other credit grantors or to any consumer reporting agency.
- d) **Inspection and Meeting with Principals:** First Source being satisfied with its inspection of the Property and its meeting with the principals of the Borrower. The Borrower hereby agrees to provide access to the Property for initial inspection and any subsequent inspection and at least one of the principals will make him/herself available to meet at the Property.
- e) **First Source Forms:** The Borrower delivering completed and signed Mortgage Application, Net Worth Statement and Background Check Consent Form on such forms as reasonably required by First Source. If an asset is listed in a Net Worth Statement as being that of the Guarantor and is in fact the property of the Guarantor's spouse, then the guarantee of such spouse shall be required.
- f) **Details of Ownership:** The Borrower delivering details of ownership and (corporate) structure including all beneficial owners and shareholders (as applicable)
- g) **Financial Statements:** Most recent two-year externally prepared Financial Statements for all entities mentioned in the Commitment Letter which are at minimum in a Notice to Reader format for all entities mentioned in the Letter of Interest. If the borrowing entities hold other real estate other than the subject properties a separate income and expense statement for the properties shall be provided in addition to the financial statements.
- h) **3rd Party Planning Report:** The Lender shall engage, at the Borrower's expense, the services of a 3rd party Planning Consultant to provide a Letter of Opinion confirming the zoning and official plan in place allows the proposed development of 912 residential units with a total Residential Gross Floor Area of 820,533 square feet and Commercial Gross Floor Area of 32,743 square feet as well as likelihood and timing of achieving necessary future approvals. Further, the Lender will require confirmation of satisfactory parking ratios and confirmation that servicing infrastructure exists to support the proposed development.
- i) **Budget:** The Borrower will deliver a proforma cost budget for the proposed development. The budget is to be inclusive of servicing infrastructure, cash in lieu for parkland dedication, and include interest for the loan.
- j) **3rd Party Budget Review:** The Lender shall engage, at the Borrower's expense, the services of a 3rd party cost consultant to vet the reasonableness of the costs of the budget for the development (inclusive of Servicing Infrastructure and Cash in Lieu for Parkland Dedication). All budgeted costs are to be a vetted by a 3rd party cost consultant to the sole and absolute satisfaction of the Lender.
- k) **Land Residual Value:** Project economics to confirm a satisfactory net residual land value, as determined by the Lender, corresponding to not less than the Appraised "As-Is" Value for the subject Property. At the Lender's sole and absolute discretion, in the event the net aforementioned residual land value is less than the Appraised Value, the Lender may be prepared to accept said value with the proviso the value is not less than and corresponds to a reasonable underwriting value as established independently by the Lender.

- l) **Confirmation of Costs to Date and Cash Equity:** The Borrower will deliver satisfactory proof of cost to date and cash equity into the project to the Lender, acting reasonably.
- m) **Property Taxes and Other Charges:** Confirmation Property Taxes, All Levies, Impost Fees, Local Improvement Charges, and Other Charges that are due and payable in connection with the subject Property have been paid.
- n) **Insurance Review:** The Lender shall engage, at the Borrower's expense, the services of a 3rd party Insurance Consultant to conduct a review of the Insurance Policy for the subject Property to ensure sufficient coverage is provided for the proposed financing inclusive of construction.
- o) **Drawings/Renderings/Marketing Materials:** The Borrower shall provide drawings, renderings, and marketing materials detailing the proposed development to the Lender, acting reasonably.
- p) **Liens:** The Property is to be free and clear of any construction liens;
- q) **Title Search:** The Lender's legal counsel confirming satisfactory title.
- r) **Third Party Contracts and Reciprocal Agreements:** Receipt and review of all third-party contracts and reciprocal agreements with adjacent land owners, if applicable.
- s) **Discharge Statement(s):** Receipt and satisfactory review of the Discharge Statement(s) or Pending Discharge Statement(s) of existing encumbrances related to the Property. Existing encumbrances are to be in good standing.
- t) **Not for Construction:** The borrower shall covenant that no portion of the loan proceeds shall be used for construction.
- u) **Other Documents:** Any other documentation realized or required during the due diligence process of underwriting the loan.

CONDITIONS OF FUNDING

ARTICLE 4.00

The Lender shall not be obligated to make any loan advances unless the following requirements have been met to the Lender's satisfaction:

- 4.01 **Security in Place:** All security being in place in form and content satisfactory to the Lender, the Borrower and its solicitors acting reasonably;
- 4.02 **Execution of Documents:** The Borrower and Guarantor, if any, executing all documents necessary to give effect to the Mortgage and further including but not limited to the mortgage agreement, which shall contain *inter alia* the provisions, set out in Schedule "A".
- 4.03 **Title:** The Lender being satisfied with the title to the properties and obtaining at the Borrower's expense a satisfactory Title Insurance Policy for the Mortgage.

- 4.04 Work Orders etc.:** The Lender obtaining satisfactory evidence that there are no outstanding work orders or notices of violations from any governmental departments affecting the Property. The Buildings can be demolished upon application for a Demolition Permit.
- 4.05 Fire:** If required, the Borrower providing the Lender with satisfactory evidence that the Property has no infractions outstanding on file under the appropriate Fire Code.
- 4.06 Costs Borne by the Borrower:** The Borrower paying for all costs incurred by either the Borrower or the Lender including reasonable legal, appraisal, insurance consulting as well as other reasonable costs provide for in this letter that arise in relation to the Loan.
- 4.07 Fire Insurance:** Receipt by the Lender of evidence that proper and adequate insurance is in place, which insurance shall include but not be limited to coverage for less than the full 100% "Replacement Cost" thereof, against the perils of "All Risk". The Borrower's risk advisor to review and ensure policy complies.

The Borrower shall maintain public liability insurance to such amounts of not less than \$5,000,000 on a per-occurrence basis. The Insurer or Insurers shall sign each policy of insurance and the policy shall contain a clause at least equivalent to IBC 3000 showing loss payable the mortgagees as their interest may appear in the first instance.

Each policy of insurance shall show loss payable to the mortgagees as their interest may appear. All insurance policies shall be in form and scope satisfactory to First Source and its solicitors both acting reasonably and the premiums on it shall be paid for a period of not less than six months. A third party consultant shall review and approve the policies to their sole satisfaction at the Borrower's cost.

- 4.08 Borrower's Representations:** If, at any time before the advance, there is or has been any material discrepancy or inaccuracy in any written information, statements or representations at any time made or furnished to the Lender by or on behalf of the Borrower/Guarantor, concerning the Borrower's or the Guarantor's financial condition and responsibility, the Lender shall, if such material discrepancy or inaccuracy cannot be rectified or nullified by the Borrower/Guarantor within thirty (30) days of written notification thereof to the Borrower/Guarantors from the Lender, be entitled forthwith to withdraw and cancel its obligations hereunder or decline to advance further funds as the case may be, and to declare any monies theretofore advanced, with interest to be forthwith due and payable.
- 4.09 Material Change:** It is a condition for disbursement of funds that in the Lender's opinion the financial position of the Borrower and/or the Guarantor, and any of the properties given as security, and the Borrower's representations and warranties, shall not have suffered any material adverse change; nor shall there be any action, suits, or pending proceedings of which the Borrower has knowledge except as otherwise disclosed to the Lender; and that no event shall have occurred, which materially and adversely affects the whole or part of the value of the properties or the financial position of the Guarantor. No change in the shareholding of the Borrower or Guarantors without the consent of the Lender, such consent not to be unreasonably withheld.
- 4.10 Non-Merger:** The Borrower's obligations contained in this Commitment shall survive the execution and registration of the Mortgage and any other security documentation and all advances of funds under the Mortgage, and the Borrower agrees that those obligations shall not merge in the execution and registration of the Mortgage and other security. All terms and conditions of our Mortgage and other security documentation shall form part of this Commitment.

- 4.11 Waiver:** The Lender's failure to insist upon strict performance of any obligation or covenant of this Commitment by the Borrower or to exercise any option or right herein shall not be a waiver for the future of such obligations or covenant, but the same shall remain in effect and the Lender shall have the right to insist upon strict performance by the Borrower of any and all of the terms of this Commitment and the Mortgage documentation.
- 4.12 Lender's Solicitor:** The Lender being satisfied with the Lender's Solicitor's opinion on title, security and the validity, legality and binding effect of all aspects of this Mortgage transaction. The Borrower agrees that the Lender's solicitors shall prepare all mortgage and other documents related to this Mortgage for review and approval by the Borrower, such approval not to be unreasonably withheld.
- 4.13 Taxes:** The Borrower prior to the advance or on the date of advance shall pay all taxes due and payable.
- 4.14 Not a Joint Venture:** The Borrower and Lender acknowledge and agree that they are not entering into a joint venture or partnership agreement by virtue of this Loan transaction.
- 4.15 Other Documentation** Any other information, documentation or security reasonably requested by the Lender and its solicitors in assessing, approving and funding of the facility requested.
- 4.16 Identification:** Pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"), the Lender is required to ask for identification of the Borrower, the Guarantor and for information with respect to the source of funds, used in connection with the Borrower's equity in the Property. The Borrower and Guarantor hereby covenant and agree to provide prior to the first advance, such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.
- 4.17 Cancellation:** The Lender shall have the right to terminate and cancel its agreement to provide the mortgage herein to the Borrower and shall be relieved of all obligations in connection therewith in the event that the Borrower fails or is unable or unwilling to comply with the terms and conditions of this Commitment letter on or before the Closing Date including failing or refusing to execute documentation required pursuant to this Commitment and requested by the Lender or accepting the funds when advanced.

In the event the Loan is not advanced and the Commitment is terminated, through no fault of the Lender, the Deposit shall not be refundable to the Borrower and may be retained by the Lender as liquidated damages. Notwithstanding the foregoing, the Borrower shall be responsible for and pay the deficiency between the Lender Fee and the Deposit forthwith on demand, unless if caused by the default of the Lender. In addition, no termination of this Commitment shall limit or restrict or otherwise affect in any way: (i) the obligations of the Borrower to pay to the Lender any reasonable third party fees, costs and expenses incurred by Lender and provided for in this Commitment in connection with the Loan; and (ii) any rights and remedies of the Lender against the Borrower arising from any breach of the Commitment by the Borrower including any claim for damages.

It is understood that the Lender has entered into this Commitment based on representations made by the Borrower and, if at any time there is or has been any material discrepancy or inaccuracy in any written or oral information, statements or representations heretofore or hereafter made or furnished to the Lender by or on behalf of the Borrower concerning the security or the Borrower's financial condition, then the Lender shall be entitled in its sole discretion to withdraw or cancel any obligation hereunder and decline to advance funds and in addition to forfeiture of the Deposit, the Borrower shall be liable to pay 50% of the Lender Fee and all other expenses as hereinbefore set out.

- 4.18 Legal Fees:** The Borrower hereby agrees to pay the reasonable legal fees required by the Lender's Solicitors for the completion of the legal services related to this Mortgage. Disbursements shall be in addition thereto. Borrower to deliver a \$5,000 retainer to Lenders lawyer promptly after execution of this Commitment by the Lender and the Borrower forthwith upon request. The Borrower shall have the choice of two legal quotations for fees obtained from the solicitors selected by the Lender.
- 4.19 Syndication:** The commitment is conditional upon the success of First Source Mortgage Corporation to syndicate a portion or the entire loan with a Lender (s) to be determined.

BORROWER'S REPRESENTATIONS

ARTICLE 5.00

- 5.01 Borrower's Representations:** The Borrower represents and warrants that as of the date of acceptance of this Commitment and as of the Closing Date:
- (i) The Borrower and the Guarantor have the power, capacity and authority to enter into this Commitment and to perform and complete the transaction contemplated herein, all of which have been duly authorized where required by all necessary corporate action and that no consents are necessary;
 - (ii) The Borrower and the Guarantor have not withheld any information of a material nature relating to the Property or to the Borrower or Guarantor;
 - (iii) All existing environmental assessments, audits, tests and reports relating to the Properties within the knowledge of the Borrower have been delivered to the Lender.
 - (iv) To the best of its knowledge and belief, the Properties have no Environmental issues affecting same not disclosed in writing to the Lender and a covenant and warranty with respect to same will be delivered to the Lender.
- 5.02 Borrower's Acknowledgments:** The Borrower acknowledges and represents that:
- (i) It has considered the risks entailed in private borrowing and has been informed of the risks involved in the Loan;
 - (ii) The terms and the interest rate in this Commitment may be higher and more onerous than institutional lenders;
 - (iii) It has had an opportunity to consult its legal counsel and accountant or other financial advisors;
 - (iv) If the Lender does not advance the Loan by a certain date, the Borrower may be unable to satisfy the intended purpose for the Loan;
 - (v) In the event the Borrower is unable to pay monthly payments, Property taxes, insurance premiums or the principal amount when the Loan is due, the Lender could obtain a court judgment and enforce all remedies available by law and income could be seized to pay the judgment or the Lender could keep the Property or sell it.
 - (vi) When the Loan is due, if the Lender cannot or will not renew the Loan and the Borrower cannot pay the outstanding balance the Property may have to be sold in order to repay the Loan; and

- (vii) The Lender has disclosed the material risks of the Loan.
- (viii) It has reviewed the loan with its trusted advisors and has determined the loan to be most suitable for its needs.

5.03 Reporting Requirements: The Borrower acknowledges and represents that:

- (i) Within 120 days of each fiscal year during the term of the Loan Facility to provide the Lender with financial statement for the Borrower and the Guarantors.

MISCELLANEOUS

ARTICLE 6.00

- 6.01 Survival of the Terms of Commitment:** Notwithstanding the registration of the Mortgage and the advances made pursuant to same, the terms and conditions of this commitment shall remain binding and effective on the parties hereto.
- 6.02 Time is of the Essence:** Time shall be of the essence in this Commitment.
- 6.03 Agreement in Writing:** No change to vary or to amend this Commitment is binding on the Lender unless made in writing and signed by all parties hereto. Except as provided herein, there are no representations, collateral agreements, warranties or conditions affecting this Commitment.
- 6.04 Governing Law:** This Commitment shall be interpreted in accordance with the laws of the Province of Ontario.
- 6.05 Notices:** All notices required or permitted to be given hereunder will be sufficiently given if sent by prepaid registered mail and addressed as follows:

In case of First Source to:
Suite 1202, 12th Floor, Atria II
2235 Sheppard Avenue East
North York, Ontario, M2J 5B5
Attention: **Mr. David Mandel**
By email: david@firstsourcemortgage.ca

In the case of the Borrower and the Guarantor to:
Matt Elkind and Trevor Rabie
2807823 Ontario Inc.
624 King Street W
Toronto ON, Ontario
L7N 3T2
By email: matt@prive.capital & trevor@prive.capital

Provided that the parties shall be entitled to designate another address (es) by giving written notice thereof to all other parties hereof. Any notice so mailed or emailed shall remain binding and effective on the parties hereto.

- 6.06 General Provisions and Independent Legal Advice:** The Mortgage Advance is to be payable to the registered owner of the Property or the encumbrancers who are to be paid out from the Advance or as

may be directed in writing by the Borrower and Guarantor. Independent Legal Advice shall be required for any party guaranteeing the Mortgage, consenting to the Mortgage or postponing their interest to the Lender's security.

6.07 Facsimile Transmission or Email: The transmission of an executed copy of this Commitment by facsimile transmission or in "pdf" form by email shall be deemed to constitute execution and delivery of an original executed copy.

6.08 Consent to Personal Information as Per Privacy Policy: By signing this Commitment, the Borrower and Guarantor agree that any information, personal or otherwise, either that the Borrower or Guarantor has provided or will provide to the Lender or that the Lender has on file about the Borrower and Guarantor shall be retained and may be used as the Lender deems necessary in its sole discretion for the mortgage placement herein, collection of any arrears or deficiencies in the event of a default and any renewals or extensions of same. The Borrower and the Guarantor also agree that the Lender may retain this information on file for as long as the Lender deems appropriate. The Borrower and Guarantor also agree to any credit bureau search being carried out by the Lender from time to time, as the Lender deems necessary in its sole discretion, but no later than 90 days after the Mortgage is discharged.

By signing this Commitment with respect to the Property, the Borrower and Guarantor agrees that the Lender shall have the right to seek any information from any government agency, authority or office whether municipal, provincial or federal, Electric Safety Agency or Technical Safety Standards Agency at any time either before or after the registration of the Mortgage and before and after default with respect to only information on file at the entity about the said Borrower and Guarantor and/or the Property and the Lender shall have the right to retain such information which may be used as the Lender deems necessary in its sole discretion for the mortgage placement herein, collection of any arrears or deficiencies in the event of a default and any renewals or extensions of same. The Borrower and the Guarantor also agree that the Lender may retain this information on file for as long as the Lender deems appropriate, but no longer than 90 days after the Loan Facility is repaid, unless required by governmental legislation. The Borrower and the Guarantor also agree to any and all searches being carried out by the Lender from time to time, as the Lender deems necessary in its sole discretion acting reasonably.

6.09 Counterparts: This Commitment may be executed in counterparts and all counterparts so executed will constitute one agreement binding on the parties effective on execution

6.10 Assignment: The Borrower acknowledges that all or a portion of the Loan may be sold or syndicated without further notice to or consent of the Borrower and the Lender may disclose, transfer and assign as they in their sole discretion deem advisable all financial and other information and materials, without restriction or notice as follows; (i) to any subsequent or proposed purchaser of the Loan or any subsequent lender and their respective third party advisors; and (ii) to any person in connection with the sale or assignment of the Loan. This Commitment is conditional on a portion of the Loan being satisfactorily assigned and funded. The Borrower also consents to the release, disclosure, exchange and sharing of all information and materials and to any publicity or advertising that refers to the financing. The Lender may sell transfer or assign the Loan or any interest therein from time to time without the consent of the Borrower at no cost to the Borrower. After any such assignment, the Lender shall have no further obligation to that part of the Loan assigned.

6.11 Confidentiality: The Borrower and the Guarantor acknowledge and agree that the terms herein are confidential between themselves and the Lender, their respective lawyers and consultants and agree not

to disclose the information herein to any third party without the Lender's prior written consent, which shall not be unreasonably withheld.

- 6.12 Successors and Assigns:** This Commitment and the rights and benefits arising here from may not be assigned by the Borrower to any other party without the prior written approval of the Lender.
- 6.13 Interpretation:** This Commitment shall be read in conjunction with the Lender's form of charge documents and in all cases where the interpretation of the terms hereof and the intention of the parties hereto may be in question, where applicable, the terms recited in the relevant charge document shall prevail.
- 6.14 Erection of Sign:** First Source or its lender clients shall have the right to erect a sign or a sign of others at its expense during the construction period indicating the provision of financing and which sign shall comply with applicable municipal by-laws relating to signs.
- 6.15 Advertising:** The Borrower acknowledges and agrees that First Source shall have the right to use a photo or likeness of the Property in its communication with prospective Borrower and or investors which may include transaction details but no personal information.

This Commitment is open for acceptance by the Borrower and the Guarantor until 5:00 PM on **November 24th, 2021** by which time and date a copy of this Commitment duly executed the Borrower and the Guarantor shall be delivered to First Source together with any payment required hereunder.

If this Commitment is not accepted by the aforementioned time and date, it will become null and void and of no force and effect.

Yours truly,

FIRST SOURCE MORTGAGE CORPORATION

David Mandel – President

I am authorized to bind the corporation.

Principal Broker (License # 10434)

Mortgage Administrator (License # 12594)

www.firstsourcemortgage.ca

david@firstsourcemortgage.ca

Accepted at _____, Ontario this ___ day of _____ 2021

DocuSigned by:
Matt Elkind
Per: _____
41FCDEEB3433438...
2807823 Ontario Inc
Matt Elkind
I have the authority to bind the corporation

DocuSigned by:
Trevor Rabie
Per: _____
D124A24E3F3C478...
8521446 Canada Inc
Trevor Rabie
I have the authority to bind the corporation

DocuSigned by:
Stephan Katmarian
Per: _____
07B0B18BE13842D...
Rodale Construction Inc
Stephan Katmarian
I have the authority to bind the corporation

DocuSigned by:
Jeff Howard
Per: _____
30512E7B1F80427...
Evoke Solutions Inc
Jeff Howard
I have the authority to bind the corporation

DocuSigned by:
Trevor Rabie
Per: _____
D124A24E3F3C478...
Welland Real Estate Inc
Trevor Rabie
I have the authority to bind the corporation

DocuSigned by:
Matt Elkind
Per: _____
41FCDEEB3433438...
Elk Capital Investment Holdings Ltd
Matt Elkind
I have the authority to bind the corporation

SCHEDULE "A"

1. **Post-dated Cheques:** The Borrower shall provide to the Lender post-dated cheques for each year of the term of the Mortgage. Each cheque is to be in the amount of the monthly instalment payable under the Mortgage. The Lender shall have the right to direct the Borrower to deliver one or more separate cheques for each monthly payment totalling the monthly instalment. Alternatively, the Borrower shall provide Pre-Authorized Payments to be drawn from the Borrowers chosen Bank at the Lenders request at any time and shall provide the Lender with all necessary information for this purpose as required. **Post-dated Cheque should be made payable to "First Source Financial Management Inc." unless instructed otherwise.**
2. **Administration Fees:** The Borrower agrees to pay to the Lender an administration fee of \$450.00 for each occurrence of any of the following events. If a default occurs a second time the Administration Fee shall be doubled.
 - a) Late Payment after a demand has been made;
 - b) Cheque Dishonored for any reason;
 - c) Failure to provide proof of payment of realty taxes within 30 days of the 31st day of January and June in each year of the term or after a demand being made;
 - d) Failure to provide proof of insurance coverage at least 10 business days prior to the maturity date of the initial policy delivered on Closing or after a demand being made;
 - e) Cancellation of insurance coverage shall be two times the applicable administration Fee and the penalty doubles again in the event the Borrower does not provide proof of reinstatement within 24 hours of notice by the Lender.
 - f) Failure to provide postdated cheques when required after a demand being made;
 - g) Failure to notify Lender of registration of lien;
 - h) Each construction advance;
 - i) Each property inspection relating to a second or further mortgage advance, default, insurance matter or any other matter at lenders sole discretion;
 - j) Request for Mortgage Statement;
 - k) Request for Discharge Statement or notice of default letter;
 - l) Default under any other mortgage, charge or encumbrance;
 - m) Each meeting required by the Borrower or Lender because of an issue that has arisen regarding the Loan Facility;
 - n) Each three telephone attendances and/or emails required by the Borrower or Lender because of an issue that has arisen regarding the Loan Facility;
3. **Holding Over:** In the event that the mortgage loan is not repaid upon maturity, unless the Lender has received at least thirty (30) days' notice and has agreed to an extension in writing and has received approval from its investors the interest rate on the mortgage loan shall continue at 18% compounded and calculated monthly or the that rate set out herein under "Interest Rate" until the earlier of discharge or sale, whichever comes first.
4. **Holding Over Interest Bonus:** If the Loan is not repaid in full on or before the Maturity Date, the Borrower shall be required to pay the Lender an Holding Over Interest Bonus, in addition to any and all other rates, fees, and costs to be paid to the Lender by the Borrower pursuant to this Commitment Letter. More particularly, this interest bonus shall be earned by and payable to the Lender monthly, in advance, on the first business day of each month and shall be payable at the rate of 0.25% per month, or part thereof, multiplied by the then outstanding Loan Amount (the "Holding Over Interest Bonus"). The Borrower hereby acknowledges that the requirement to pay the Holding Over Interest Bonus does not constitute an extension of the Loan nor is it a

penalty or fee but rather additional interest to be added to the final discharge amount of the Loan. If the Loan is not repaid in full by the Maturity Date, the same shall constitute default by the Borrower under the Commitment and Security Documents notwithstanding payment of the Holding Over Interest Bonus. The Borrower further acknowledges that the Lender, at its option, may add the Holding Over Interest Bonus to the outstanding principal balance of the Loan and the Security for the Loan also secures the Holding Over Interest Bonus.

5. **Notice:** The mortgage will be registered and administered on behalf of the Lender by First Source Financial Management Inc., a related company and licensed mortgage administrator.
6. **Due on Default:** In the event of default under this Mortgage, beyond an applicable cure period, at the option of the Lender, the full principal balance together with interest and costs on a substantial indemnity basis in relation thereto shall become immediately due and payable.
7. **Due on Sale:** The Borrower and the Guarantor hereby agree that in the event that the Property is sold, conveyed, transferred or assigned or there is a change in control of a corporate Borrower or corporate Guarantor, without Lender's written consent, which consent shall not be unreasonably withheld, the Lender shall have the right, at its option, to immediately declare all unpaid principal and interest and accrued interest and costs and expenses owing to the Lender immediately due and payable together with the Lender's then current prepayment penalties and fees.
8. **No Subsequent Encumbrances:** The Borrower and the Guarantor hereby agree that in the event that a subsequent mortgage is placed on the Property without Lender's written consent, which consent shall not be unreasonably withheld, that the Lender shall have the right, at its option, to immediately declare all unpaid principal and interest and accrued interest and costs and expenses owing to the Lender immediately due and payable together with the Lender's then current prepayment penalties and fees.
9. **Default of Prior Encumbrances:** If at any time or from time to time any default or breach of covenant occurs under any encumbrance registered against the Property and which encumbrance has priority over the Mortgage and which default is not cured within the grace periods permitted, it shall constitute default under the Mortgage and the Lender may pay all monies and take appropriate action to cure any default or breach under any encumbrance.
10. **Costs:** The Borrower covenants and agrees to pay all property tax, public utilities rates, charges, and insurance premiums as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Borrower to comply with this covenant shall constitute an event of default hereunder and entitles the Lender at its sole and absolute discretion to avail itself of remedies available hereunder and at law including the right to accelerate the principal sum secured hereunder together with all accrued interest thereon plus costs.

In addition, at the Lender's sole and absolute discretion, the Borrower agrees that the Lender may satisfy any charge, lien, any matter raised in the previous paragraph or other encumbrances now or hereafter existing or to arise or to be claimed upon the charged lands and the amount so paid together with all costs associated therewith shall be a charge on the Property and/or Collateral Property and shall bear interest at Eighteen (18%) percent per annum, calculated and compounded monthly and shall be payable forthwith by the Borrower to the Lender, and in default of payment, the entire principal sum, accrued interest and costs, shall become payable at the sole and absolute discretion of the Lender and the remedies hereby given and available at law may be exercised forthwith without notice. In the event the Lender satisfying any such charge or claim, it shall be entitled to all

equities and securities of the person(s) so satisfied and it may retain any discharge, cessation of charge or assignment of charge unregistered until paid.

11. **Final Payment and Discharge:** The Borrower covenants and agrees that payment at maturity, or earlier if notice to prepay is delivered, of the Mortgage shall be by certified cheque, bank draft or money order. After payment in full of the principal sum and all other amounts hereby provided, a discharge of the Mortgage shall be prepared by the solicitor for the Lender, at the cost and expense of the Borrower within a reasonable time after such payment and such solicitor's fees shall not include attendance outside the office in order to deliver the said discharge or the attendance on a closing or registration of and the cost of registration of the said discharge. In the event the loan is not repaid at the time or times provided within the Mortgage or in the notice to prepay earlier, the Lender will not be required to accept payment of the principal monies without first receiving three (3) months additional months' notice in writing or receiving 3 months interest bonus in advance of the principal monies. No further monies, if any, will be advanced under the Loan, once notice to discharge is received by the Lender.
12. **Warranty - Urea Formaldehyde Foam insulation (UFFI) and Environmental:**
The Borrower covenants to the best of its knowledge and belief the Property has never had "UREA FORMALDEHYDE FOAM" insulation installed, asbestos, PCBs waste, radioactive material, noxious substances, or any contaminant as defined in the Environment Protection Act and that the Property is and will be environmentally sound and there are no and will be no restrictions which would economically affect any buildings on the Property. The terms and conditions of the environmental clause should be as the Lender's solicitor prepares.
13. **Receiver:** In the event due to default of the Borrower on the Property, beyond the applicable cure period, then the Lender in addition to any other rights which it may have, shall be entitled to appoint a receiver manager or receiver, either privately or court appointed to manage the building and to do all things necessary as an owner would be entitled to do to sell the Property, subject to the terms of the Mortgage and all applicable governmental legislation. The terms and conditions of the receiver are to be further elaborated in the Mortgage as required by the Lender's lawyers.
14. **Management Costs:** In the event that the Lender or its agents takes possession of the Property as a result of default under the Mortgage, or in the event that the Lender or its agents commence Power of Sale proceedings, or if a receivership is commenced as a result of default under the Mortgage, even if the receiver is not yet appointed, the Lender, will be entitled to charge the Borrower for management costs until the earlier of sale of the Property or discharge of the mortgage. Said management costs shall be \$15,000 per month supported reasonably by documentation for time and expenses to be provided. Hourly rates for a mortgage manager in a defaulted loan is \$1500 per hour plus \$850 per hour for each support staff individual. Borrower acknowledges this is a reasonable estimate for the time value and opportunity costs incurred for managing the Property(s), including but not limited to communicating with investors, dealing with professional advisors, appraisal companies, environmental engineers, building inspector, receiver, legal counsel, attending meetings, checking property taxes, work orders, liens or other matters acting generally in accordance with the requirements of a mortgage manager of a mortgaged property in default which amount is deemed not to be a penalty. **This clause is also deemed to be complete and proper notice to any subsequent charge or lien holder of the above-noted costs and charges in the event of the Borrower's default. Any future chargee that registers a subsequent charge without written permission of the Lender of this mortgage does so knowingly with full disclosure accepting all risks associated with this clause as well as other costs, fees or charges set out in this Schedule "A". It is strongly recommended that all proposed mortgagees seek independent legal advice prior to funding any subsequent mortgage without written permission from the Lender of this Charge.**

15. **Reasonableness of Fees and Charges:** The Chargor acknowledges having received and had explained to it all of the possible fees and charges as set forth in this Charge which would be in addition to principal and interest due hereunder. The Chargor acknowledged and agrees that the fees and charges are reasonable and reflect a pre-estimate of Chargee's actual costs with respect to each of such charges and fees.
16. **Default Abandonment:** Subject to Force Majeure, in the event of abandonment for a period in excess of fifteen (15) consecutive days, the Lender shall be entitled to, after giving the Borrower fifteen (15) days' notice of any abandonment or failure to continue business operations or any failure to construct with due diligence and provided the Borrower fails to rectify same, forthwith withdraw and cancel its obligations hereunder and/or decline to advance further funds, if any, as the case may be and to declare any monies theretofore advanced with interest to be forthwith due and payable at its sole option.
17. **Receipt of Funds:** Any payment received after 1:00 P.M. shall be deemed to have been made on the next Bank Business Day following receipt. For purposes of this paragraph, Saturday, Sunday Provincial and Federal Holidays shall be deemed to be non-business Bank Days.
18. **Possession:** In the event of default under the Mortgage by the Borrower beyond the applicable grace period and the Lender obtains possession of the Property and it determines, in its sole discretion, that the Property requires work and/or improvements in order to market the Property, then the Lender shall have the right, at its sole option, to complete such work on such terms as it deems advisable. The cost of completion of the servicing and work by the Lender and its agents and all expenses incidental thereto shall be added to the Loan amount, together with a management fee of fifteen per cent (15%) of the costs of the work and improvements completed by the Lender, provided that it is limited to bringing the Property up to the condition it was at the time of the advance, unless work already has been started on a house and it may be completed or in order to sell the property for an amount required to pay out the Lender inclusive of all costs and accrued interest. All costs and expenses, as well as said management fee, shall bear interest at the rate as herein provided for and shall form part of the Loan secured hereunder and the Lender shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of Mortgage principal and Interest hereunder or at law.

Engagement Letter with Borrower

November 19, 2021

2807823 Ontario Inc.
624 King Street W
Toronto ON, Ontario
L7N 3T2

Attention: Matt Elkind

Re: Engagement of First Source for Mortgage Loan

First Source Mortgage Corporation (“First Source”, “we” or “us”) understand that **2807823 Ontario Inc.** (the “Borrower” or “you”) are seeking to secure financing including through the distribution of syndicated mortgage investments described below (the “SMIs”) to qualified investors (the “Offering”). We understand further that the Borrower wishes to retain the services of First Source to provide or arrange for certain mortgage brokerage, advisory and distribution services and to act as your agent (the “Agent”) in connection with certain aspects of the Offering. By your acceptance of this engagement letter, you enter into an agreement with us (the “Agreement”) and appoint First Source to act as financial advisor and agent in connection with the Offering, on the terms and subject to the conditions set out below.

1. Offering of SMIs. First Source shall provide such advice and assistance as the Borrower may reasonably request in connection with the Offering, which shall consist of the distribution of the following SMI:

Property / Name of Project	PIN 462670101
Principal Amount	\$8,750,000
Term / Maturity	16 months plus 7 days from the Interest Adjustment Date
Priority	1 st Ranking Mortgage
Interest Rate	<p>The higher of (i) 8.75% or (ii) CIBC Prime + 6.30% per annum calculated monthly with no deemed re-investment of monthly payments on the principal outstanding during the first 16 months after the interest adjustment date.</p> <p>The higher of (i) 18.00% or (ii) CIBC Prime + 15.55% per annum calculated monthly with no deemed re-investment of monthly payments on the principal outstanding for the final 7 days of the term. After 16 months and 7 days from the interest adjustment date, unless an extension agreement was previously arranged executed in writing between the Borrower and Lender, the rate on funds advanced shall be fixed at the higher of (i) 18.00% or (ii) CIBC Prime + 15.55% per annum calculated and payable monthly</p>

	with no deemed re-investment of monthly payments on the principal outstanding until discharged.
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2. Defined Terms in this Agreement. For purposes of this Agreement, the following terms have the meanings set out below:

“Canadian Securities Laws” means any securities statutes, regulations, policies, rules, national instruments, orders, rulings and other directives or guidance and any relief therefrom of any governmental or regulatory authority of any province or territory of Canada having jurisdiction over the parties to this Agreement or the transactions contemplated hereby, all as amended or replaced from time to time;

“Commitment Letter” means the commitment letter of First Source setting out the terms and conditions under which your application for financing has been approved;

“Marketing Material” means any and all marketing, advertising, educational or other promotional material in relation to the Borrower, the Property, the Offering or the SMIs, including, without limitation, any Offering Document, any slide deck or similar presentation document, any video or material intended to be distributed via social media posting, any website disclosure, and all other similar material;

“NI 45-106” means National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators;

“Offering Document” means any offering memorandum (whether or not a “offering memorandum” for purposes of Section 2.9 of NI45-106), term sheet summary, financial statement or financial projection, prospectus, subscription agreement or similar document prepared for delivery to prospective investors in connection with the distribution of the SMIs;

“Property” means the real property or property development project described in Section 1 hereof and in the Commitment Letter.

3. Engagement as Agent. First Source shall act as non-exclusive agent in connection with the Offering and the distribution of the SMIs. First Source make arrangements with our affiliated company, Westboro Management Ltd. (“Westboro”), an exempt market dealer registered to carry on business in Ontario, to distribute the SMIs. First Source and Westboro will identify prospective investors and negotiate the terms of the SMI as may be required. The Offering will be subject to such other terms and conditions as First Source, the Borrower and the investors shall agree. The parties acknowledge that there can be no assurance that the Offering will be completed.
4. Services. The services to be provided to the Borrower under this Agreement may include, among other things, the following:
- (a) arranging by or through Westboro for the marketing and distribution of the SMIs;
 - (b) providing you with appropriate financial and market analyses to the extent necessary to facilitate the Offering;
 - (c) representing you in negotiations with prospective investors;

- (d) the preparation of appropriate Offering Documents, subscription agreements and any other documentation necessary to facilitate the Offering, provided that prior to being made final, all such material will be made available for review and approval by the Borrower;
- (e) obtaining from prospective investors all executed documents reasonably required by you with respect to the Offering;
- (f) acting as your agent and representative with respect to the giving of all regulatory notices and/or the making of all regulatory filings required in connection with the Offering.

5. Compensation. In consideration of the services provided pursuant to this Agreement, First Source is entitled to compensation in the form of Lender Fees set out in the Commitment Letter. All amounts payable to First Source hereunder shall be subject to applicable taxes (including H.S.T.)

The Borrower acknowledges that such compensation may be required to be disclosed to securities regulatory authorities including on the filing of a Report of Exempt Distribution in accordance with the requirements of NI 45-106.

6. Expenses. Unless otherwise specified herein or agreed in writing with First Source, expenses in connection with the Engagement and the Offering, including, but not limited to, all filing fees, any other governmental fees, printing costs, postage, courier and mailing expenses, counsel and accounting fees and advertising, marketing and promotional expenses will be borne by First Source.

7. Representations and Warranties of the Agent. The Agent represents and warrants to the Borrower as follows:

- (a) it is a corporation duly incorporated, organized and subsisting under the laws of Ontario;
- (b) it has the power, authority and right to enter into and deliver this Agreement, and to perform its obligations pursuant to this Agreement and it has taken all necessary action to authorize same;
- (c) its obligations under this Agreement constitute its valid and legally binding obligations, enforceable against it in accordance with their respective terms subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally, and subject, as to enforceability, to equitable principles of general application, regardless of whether enforcement is sought in a proceeding in equity or at law;
- (d) the execution, delivery and performance of this Agreement by the Agent will not violate, or result in any default under, the Agent's constating documents or by laws, any other agreement or instrument to which the Agent is a party or by which it may be bound or any statute, rule, regulation or order of any government agency or body;
- (e) Westboro is registered as an exempt market dealer in the Province of Ontario.

The Agent shall promptly notify the Borrower if and when any representation and warranty provided by it pursuant to section 7 of this Agreement ceases to be accurate.

8. Covenants of the Agent. The Agent covenants and agrees with the Borrower as follows:

- (a) it will use its reasonable efforts and will cause Westboro to use its reasonable efforts to sell the SMIs, subject to the terms and conditions set out in this Agreement;

- (b) it will, and will cause Westboro to, effect sales of the SMIs only in those jurisdictions where they may be lawfully offered for sale or sold on a private placement basis that is exempt from the prospectus requirements of Canadian Securities Laws pursuant to available exemptions;
- (c) while soliciting or conducting a sale of the SMIs, the Agent will, will and cause Westboro to, refrain from making any representations to any person respecting the Borrower, the Offering or the SMIs that is not derived from, and entirely consistent with, the information that is set out in any Offering Document;
- (d) it will maintain such books and records as may be required to accurately record its activities as the Agent in respect of the Offering.
- (e) it will not prepare or distribute any Marketing Material in relation to the Borrower, the Offering or the SMIs except as approved by the Borrower.

9. Representations and Warranties of the Borrower. The Borrower represents and warrants to the Agent as follows:

- (a) it is a corporation subsisting under the laws of Ontario;
- (b) it has the power, authority and right to enter into and deliver this Agreement, and to perform its obligations pursuant to this Agreement and it has taken all necessary action to authorize same;
- (c) its obligations under this Agreement constitute its valid and legally binding obligations, enforceable against it in accordance with their respective terms subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally, and subject, as to enforceability, to equitable principles of general application, regardless of whether enforcement is sought in a proceeding in equity or at law; and
- (d) the execution, delivery and performance of this Agreement by the Borrower will not violate, or result in any default under, the Borrower's constating documents, any other agreement or instrument to which the Borrower is a party or by which it may be bound or any statute, rule, regulation or order of any government agency or body.
- (e) The Borrower understands and acknowledges that each person who purchases the SMIs through Westboro will become a client of Westboro for purposes of Canadian Securities Laws and Westboro will therefore comply with the following in respect of each purchaser of SMIs:
 - (i) "know-your-client", "know your product", suitability, trade reporting and other client-related obligations that are imposed upon exempt market dealers by Canadian Securities Laws;
 - (ii) anti-money laundering and suppression of terrorism regulations imposed upon securities dealers by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the *Criminal Code of Canada*;
 - (iii) the *Personal Information Protection and Electronic Documents Act* (Canada) as regards the collection, use and disclosure of personal information respecting each such purchaser;
- (f) to the knowledge of the Borrower, there is no action or proceeding pending against or affecting the Borrower, at law or in equity or before or by any court or federal, provincial, municipal or other government department, board or agency, domestic or foreign, including without limitation to any securities commission, or similar regulatory authority, which in any way materially adversely affects

the Borrower, or the condition (financial or other) of the Borrower or which brings into question the validity of the issuance of the SMIs;

- (g) upon issuance of the SMIs pursuant to the terms of the subscription agreement between the Borrower and a purchaser, such SMIs shall have valid and legal obligations of the Borrower enforceable against the Borrower in accordance with their terms.

10. Covenants of the Borrower. The Borrower covenants and agrees as follows:

- (a) to assist the Agent in responding to any inquiries that the Agent or Westboro may receive from prospective purchasers of SMIs and subscribers from time to time;
- (b) providing prompt notice if any representation or warranty made by the Borrower in the Commitment Letter ceases to be true or accurate (or with passage of time will become untrue or inaccurate) in any material respect;
- (c) to provide to the Agent copies of any Marketing Material prepared by the Borrower or on behalf of the Borrower (by persons other than the Agent);
- (d) to promptly advise the Agent any representation or warranty made by the Borrower in this Agreement is no longer true and accurate, or if it learns of circumstances which would cause any statement contained in the Offering Documents to be materially misleading (even if such statement was not materially misleading at the time it was made).

11. Reliance by First Source on Information Provided by Borrower.

- (a) The Borrower will furnish to First Source such information as First Source reasonably requests in connection with the performance of its services hereunder. Without limiting the foregoing, the Borrower must provide all of the documentation and consent to all of the due diligence and underwriting procedures contemplated by the Commitment Letter. The Borrower acknowledges that First Source will prepare the Offering Documents relating to the SMIs on behalf of the Issuer, and that the contents of such Offering Document will be based on information contained in, or undertaken to be provided pursuant to, the Commitment Letter.
- (b) The Borrower understands, acknowledges and agrees that, in performing its services hereunder, First Source will use and rely upon such information, as well as any publicly available information regarding the Borrower and that First Source does not assume responsibility for independent verification of the accuracy or completeness of any information, whether publicly available or otherwise furnished to it, concerning the Borrower, including, without limitation, any financial information, forecasts or projections supplied by the Borrower. Accordingly, First Source shall be entitled to assume and rely upon the accuracy and completeness of all such information and shall not be required to conduct a physical inspection of any of the properties or assets or to prepare or obtain any independent evaluation or appraisal of any of the assets or liabilities of the Borrower.
- (c) Specifically with respect to the preparation of the Offering Documents,
 - (i) At the request of First Source, the Borrower shall review any such Offering Document or portions thereof on a timely basis, and the absence of comments shall be deemed as confirmation by the Borrower that the contents as provided to the Borrower are accurate;

- (ii) Following the Borrower's opportunity to review and comment on the Offering Documents, the Borrower represents and warrants that the information and statements contained in the Offering Documents and any Marketing Material in relation to the Borrower, the Offering or the SMIs are materially correct and accurate and do not contain a misrepresentation;
 - (iii) Following the Borrower's opportunity to review and comment on the Offering Documents, the Borrower represents and warrants that neither the Offering Documents nor any Marketing Materials prepared by the Borrower, as may be applicable, contain any untrue statement of material fact, and do not omit to state any material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.
- (d) Furthermore, the Borrower hereby appoints First Source as its agent and attorney for purposes of completing filings with securities regulators as may be required under Canadian Securities Law and NI 45-106. Specifically, the Borrower delegates to First Source authority to certify information required to be furnished to regulators pursuant to Form 45-106F1 Report of Exempt Distribution, and to file any Offering Document or amendment of any Offering Document on behalf of the Borrower. In order to permit First Source to perform this delegated function, the Borrower shall supply First Source with the information set out in Schedule A;
- (e) If any information provided to First Source by the Borrower or any information contained in the Offering Document made available to the Borrower for review and comment becomes inaccurate, incomplete or misleading in any material respect, the Borrower shall promptly so advise First Source.

12. Indemnification in Favour of The Borrower.

- (a) The Agent agrees to indemnify and hold harmless the Borrower, and each of their respective directors, officers, employees, partners, shareholders and advisors (each, a "**Borrower Indemnified Party**") for any and all losses, claims, damages, costs and expenses, including reasonable legal fees and disbursements, that the Borrower Indemnified Party suffers or incurs as the result of any material breach of any term or condition of this Agreement by the Agent, including a breach of any representation and warranty provided by the Agent pursuant to this Agreement, or any breach of Canadian Securities Laws by the Agent or by Westboro.
- (b) The Agent acknowledges and agrees that the Borrower and its directors, officers, employees, partners, shareholders and advisors are intended to be third party beneficiaries of the indemnity provided by the Agent pursuant to Section 12(a) hereof and, as such, each of them is entitled to enjoy the benefits of such indemnity and has the right to enforce such indemnity directly against the Agent. To the extent necessary to entitle each of the Borrower's directors, officers, employees, partners, shareholders and advisors to enjoy the indemnity provided by the Agent pursuant to Section 12(a) hereof, the Agent hereby appoints the Borrower as the trustee for the directors, officers and employees in respect of such indemnity and the Borrower hereby accepts such appointment.

13. Indemnification in Favour of the Agent.

- (a) The Borrower agrees to indemnify and hold harmless the Agent and Westboro and each of their respective directors, officers and employees (each, an "**Agent Indemnified Party**") for any and all losses, claims, damages, costs and expenses, including reasonable legal fees and disbursements, that an Agent Indemnified Party suffers or incurs as the result of any material breach of any term or condition of this Agreement by the Borrower, including a breach of any representation and warranty

provided by the Borrower pursuant to this Agreement, or any breach of Canadian Securities Laws by the Borrower.

- (b) The Borrower acknowledges and agrees that each of the Agent's directors, officers and employees are intended to be third party beneficiaries of the indemnity provided by the Borrower pursuant to Section 13(a) hereof and, as such, each of them is entitled to enjoy the benefits of such indemnity and has the right to enforce such indemnity directly against the Borrower. To the extent necessary to entitle each of the Agent's directors, officers and employees to enjoy the indemnity provided by the Borrower pursuant to Section 13(a) hereof, the Agent hereby appoints the Agent as the trustee for the directors, officers and employees in respect of such indemnity and the Agent hereby accepts such appointment.

14. Term and Termination.

- (a) This Agreement shall commence on the date above written and, subject to earlier termination in accordance with the provisions of this Agreement, shall continue unless either Party provides written notification of termination in accordance with Section 14(b). Notwithstanding the completion of any Offering, this Agreement shall be automatically renewed for such period as required, without any further action of the parties, if the Borrower renews or extends the mortgage loan in respect of the SMI.
- (b) The following shall be the termination provisions for this Agreement. Either party may, by sending a written termination notice to the other party, terminate this Agreement at any time after the other party:
 - (i) files a voluntary petition in bankruptcy or liquidation; or
 - (ii) winds-up, dissolves, liquidates or takes steps to do so or otherwise ceases to function as a going concern or is prevented from reasonably performing its duties hereunder; or
 - (iii) an involuntary petition in bankruptcy or liquidation is filed against the other party or if a receiver or other custodian (interim or permanent) of any of the assets of the other party is appointed by private instrument or by court order or if any execution or other similar process of any court becomes enforceable against the other party, or its assets or if distress is made against the other party's assets or any part thereof, and such petition or receiver is not dismissed or stayed within 90 days after such filing, appointment or taking possession; or
 - (iv) makes an assignment for the benefit of its creditors or attempts to avail itself of any applicable statute relating to insolvent debtors; or
 - (v) winds up or otherwise ceases to be a going concern; or
 - (vi) takes any similar action under similar laws of any jurisdiction.
- (c) Other than as set out in Section 12(b)(i), either party may, by sending a written termination notice to the other party, terminate this Agreement if the other party breaches any material provision of this Agreement and such breach is not cured by the other party within fifteen (15) days following the date of the written notice requiring the breach to be remedied.
- (d) This Agreement shall be considered to be terminated upon the occurrence of any of the following:
 - (i) withdrawal or termination of the Commitment Letter; or

- (ii) completion of the Offering, and the closing of the related financing, including the making of all regulatory filings in connection there with as set out in this Agreement (unless the mortgage loan is renewed or extended as provided in Section 14(a)).
- (e) Upon termination or expiration of this Agreement for any reason whatsoever, the following shall apply:
 - (i) the expiration or termination of this Agreement shall not affect any rights accruing to any of the parties as of the expiration or termination nor shall it release the parties from any obligation that may have been incurred as a result of operations conducted under this Agreement;
 - (ii) both parties shall refrain from holding themselves out as a business partner, of the other except as may be otherwise expressly agreed to by both parties in writing;
 - (iii) no such termination or expiration shall affect the provisions of Sections 12, 13, 15 and 16 hereof, all of which shall survive the termination or expiration of this Agreement.
- 15. Nature of Relationship. The Borrower acknowledges that First Source has been retained only by the Borrower to provide the services set out herein, and that the Borrower's engagement of First Source is not deemed to be on behalf of, and is not intended to confer rights upon, any shareholder, owner or partner of the Borrower or any other person not a party hereto as against First Source or any of its affiliates, or any of its or their officers, directors, controlling persons, employees or agents. Unless otherwise expressly agreed in writing by First Source, no one other than the Borrower is authorized to rely upon this Agreement or any other statements or conduct of First Source, and no one other than the Borrower is intended to be a beneficiary of this Agreement.
- 16. Compliance with Laws. The Company and the Agent will comply in all material respects with all applicable laws, regulations and policies, whether domestic, foreign, federal, national, provincial or otherwise, applicable to the Offering, including but not limited to the Canadian Securities Laws. In that regard, the parties agree that for purposes of NI 45-106, the "issuer" of securities is the Borrower, and the "securities" are the SMIs and the "distribution" of securities takes place on the closing of the SMI mortgage loan and the issuance of the SMIs to the purchasers. Except to the extent provided herein, the Borrower shall have all of the responsibilities and liabilities of an issuer of securities under applicable Canadian Securities Law.
- 17. Irrevocable Direction. This Agreement shall act as an irrevocable direction by the Borrower to the Borrower's counsel and/or First Source's counsel to release from any funds held by such counsel (whether in trust or otherwise) all amounts due to First Source hereunder or under the Commitment Letter without further authorization or direction from the Borrower.
- 18. Notices. Any notice, demand, consent, request, agreement or approval which may be delivered or given pursuant to this Agreement shall be in writing and shall be sufficiently given or made is served personally upon the party to whom it is addressed or mailed by registered mail to the address of the party shown below or to such other address in Ontario as such party may from time to time advise the other parties in writing. If to:
 - (a) First Source:

Suite 1202, 12th Floor, Atria II
2235 Sheppard Avenue East
North York ON M2J 5B5

Attention: Mr. David Mandel

Email: david@firstsourcemortgage.ca

(b) 2807823 Ontario Inc.

624 King Street W
Toronto ON, Ontario
L7N 3T2

Attention: Matt Elkind

Email: matt@prive.capital

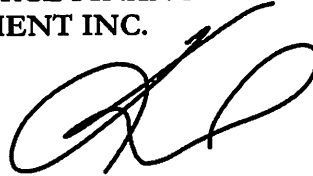
19. General. This Agreement shall not be assigned without the prior written consent of First Source and the Borrower; provided however, that in the event of a sale or other transaction in which the Borrower is not the surviving corporation or entity, the Borrower's remaining obligations, if any, under this Agreement shall remain in full force and effect and become obligations of the surviving corporation or entity. This Agreement shall be governed by and construed in accordance with the internal laws of the Province of Ontario without reference to principles of conflicts of law. The parties hereby expressly and irrevocably agree and consent that any action, suit or proceeding arising out of or relating to this Agreement will be submitted to binding arbitration in Toronto, Ontario. This Agreement constitutes the entire Agreement between First Source and the Borrower with respect to the subject matter hereof and supersedes all prior agreements. If any provision of this Agreement is determined to be invalid or unenforceable in any respect, such determination will not affect such provision in any other respect, and the remainder of the Agreement shall remain in full force and effect.

If the foregoing correctly sets forth our understanding, please so indicate by executing this engagement letter.

IN WITNESS WHEREOF the parties hereto have executed this Agreement and affixed their corporate seals on this ___ day of 11/22/2021 | 8:00 AM PST, 2021.

**FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Per: _____



David Mandel
President

I have the authority to bind the corporation

**To: FIRST SOURCE FINANCIAL
MANAGEMENT INC.**

Per: _____

DocuSigned by:

Matt Elkind

41FCDEEB3433438...
2807823 Ontario Inc.

Name: Matt Elkind
Authorized Signing Officer

I have the authority to bind the corporation

SCHEDULE A

Requested materials and information includes but is not limited to the following (provided information already supplied pursuant to the Commitment Letter need not be duplicated):

1. Borrower's full legal name, trade names or other names, head office address, mailing address and website address
2. Description of Borrower's business activities, industry sector (including NAICS industry code, if known), how Borrower was created, and any predecessor names used within the last 12 months.
3. Number of employees, SEDAR profile number if applicable, whether Borrower is a reporting issuer; Borrower's CUSIP number if applicable
4. Borrower's constating documents and description of legal structure of company and Borrower's legal entity identifier, if applicable
5. Borrower's organizational chart.
6. Borrower's ownership chart.
7. Information about Borrower's registration or licensing for other financial products.
8. Information about any past bankruptcy and confirmation that no receiver has been appointed.
9. Borrower's financial year-end and name of auditor if applicable
10. Borrower's most recent financial statements; assets as at date of most recent financial statements.
11. Information as to each of the Directors, Executive Officers and any Promoter of the Borrower
12. Information about ongoing investigations into Borrower.
13. Information about civil proceedings or civil judgements.
14. Information about criminal convictions against the Borrower or its principals.

This is **Exhibit D**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)

GUARANTEE AND POSTPONEMENT OF CLAIM

TO: FIRST SOURCE FINANCIAL MANAGEMENT INC.

WHEREAS FIRST SOURCE FINANCIAL MANAGEMENT INC. (hereinafter called the "Lender") has advanced funds and/or is about to advance funds to 2807823 ONTARIO INC. (hereinafter called the "Borrower") and in consideration of the Lender's intention to advance the said funds to the Borrower, and the sum of Two Dollars (\$2.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned (hereinafter collectively called the "Guarantor") hereby, jointly and severally, declare, covenant and agree as follows:

1. In this Guarantee and Postponement of Claim the following words shall have the meaning as indicated opposite such word:

- (a) "Credit" - means financial accommodation of any kind whatsoever.
- (b) "Indebtedness" - means in its broadest sense all obligations of the Borrower to the Lender, alone or with others heretofore or hereafter incurred, whether voluntarily or involuntarily, whether due or not due, whether absolute, inchoate, contingent, liquidated or unliquidated together with interest on each and every such obligation, which shall include without intending to limit the generality of the foregoing, principal, interest and/or costs. Notwithstanding the foregoing, this Guarantee shall relate only to a loan made by the Lender to the Borrower pursuant to a commitment issued by First Source Mortgage Corporation to the Borrower Inc. dated the 19th day of November, 2021 and any amendments thereto (collectively the "Commitment").

2. Without further authorization from or notice to the Guarantor, you may grant Credit and advance funds to the Borrower from time to time, either before or after revocation hereof, and in such manner, upon such terms and for such times as you deem best, and with or without notice to the Guarantor you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Borrower or by any person or persons liable to you of any Indebtedness hereby guaranteed, increase or reduce the rate of interest thereon, release or add one or more guarantors or endorsers, accept additional or substituted security, or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no failure by you to record, complete or otherwise perfect any securities given you by the Borrower or the Guarantor or any person, firm or corporation, no dealing by you with the Borrower or any guarantor or endorser and no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the Guarantor's obligations hereunder or any security furnished by the Guarantor or give the Guarantor any recourse against you.

3. The Guarantor, guarantees unconditionally and promises to pay to you or your order each item of Indebtedness hereby guaranteed, interest thereon, and all costs, charges and expenses which may be incurred by you in respect of any Indebtedness of the Borrower hereby guaranteed or in enforcing this Guarantee against the Guarantor and, promises to perform each guaranteed obligation when due.

4. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you, but you shall not be obliged to take any action or exhaust your recourse against the Borrower, any other Guarantor, any other person, firm or corporation, or any securities you may hold at any time nor to value such securities before requiring or being entitled to payment from the Guarantor of all Indebtedness hereby guaranteed. Provided always, this Guarantee shall not be determined or affected or your rights thereunder prejudiced by the discontinuance of this Guarantee as to one or more other Guarantors or by the death or loss or diminution of capacity or cessation of corporate existence, as the case may be, of the Borrower, or by the death or loss or diminution of capacity or cessation of corporate existence, as the case may be, of any other Guarantor.

5. Upon this Guarantee bearing the signature of the Guarantor coming into your hands or the hands of any officer, agent or employee thereof the same shall be deemed to be finally

executed and delivered by the Guarantor and shall not be subject to or affected by any promise or condition affecting or limiting the Guarantor's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of the Lender, unless contained herein, forms any part of this contract or has induced the making thereof or shall be deemed in any way to affect the Guarantor's liability hereunder.

6. No alteration or waiver of this Guarantee or any of its terms, provisions or conditions shall be binding on you unless made in writing over the signature of your duly authorized officers in that regard.

7. Until all Indebtedness hereby guaranteed has been paid in full the Guarantor shall not have any right of subrogation unless expressly given the Guarantor in writing by one of your duly authorized officers in that regard.

8. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or moneys received to any portion of the Indebtedness hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.

9. No change in the name, objects, share capital, business, membership, directorate powers, organization or management of the Borrower shall in any way affect the obligations of the Guarantor, either with respect to transactions occurring before or after any such change, it being understood that where the Borrower is a partnership or corporation this Guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Borrower notwithstanding any change or changes in the name or membership of the Borrower's firm or in the name of the Borrower, and notwithstanding any reorganization of the Borrower, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.

10. Where the Borrower is a corporation or partnership or an entity, you shall not be concerned to see or inquire into the powers of the Borrower or its directors, partners or agents acting or purporting to act on its behalf, and Credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the Indebtedness hereby guaranteed even though the borrowing or obtaining of such Credit was irregularly, fraudulently, defectively or informally effected, or in excess of the powers of the Borrower or of the directors, partners or agents thereof. The Guarantor warrants and represents that it is fully authorized by law to execute this Guarantee of Credit to be granted to the Borrower.

11. The statement in writing of any of your authorized officers from time to time of the Indebtedness of the Borrower to you and covered by this Guarantee shall be received as prima facie evidence as against the Guarantor that such amount is at such time so due and payable to you and is covered hereby.

12. All indebtedness, present and future, of the Borrower to the Guarantor is hereby assigned to you and postponed to the present and future Indebtedness of the Borrower to you and all moneys received from the Borrower or for his account by the Guarantor shall be received in trust for you, and forthwith upon receipt, paid over to you until the Borrower's Indebtedness to you is fully paid and satisfied, all without prejudice to you and without in any way limiting or lessening the liability of the undersigned to you under this Guarantee. If the Borrower is a Corporation, a partnership and/or a Joint Venture of which the Guarantor is a member or shareholder, the Guarantor will not without the prior written consent of one of your duly authorized officers withdraw any capital of the Guarantor invested with the Borrower.

13. Upon the bankruptcy or winding up or other distribution of assets of the Borrower or any surety or guarantor for any Indebtedness of the Borrower to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting the Guarantor's liability to you and until all Indebtedness of the Borrower to you has been fully paid to you, you shall have the right to

include in your claim the amount of all sums paid by the Guarantor to you under this Guarantee and to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to you. The Guarantor shall not be released from liability if recovered from the Borrower or any other Guarantor or if any other person becomes barred by any Statute of Limitations or is otherwise prevented from honouring the Guarantee.

14. The Guarantor will file all claims against the Borrower in any bankruptcy or other proceeding in which the filing of claims is required by law upon any Indebtedness of the Borrower to the Guarantor and will assign to you all of the Guarantor's rights thereunder. If the Guarantor does not file any such claim, you, as attorney in fact of the Guarantor, are hereby authorized to do so in the name of the Guarantor or in your discretion to assign the claim to and cause proof of claim to be filed in the name of your nominee. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to you the full amount payable on the claim in the proceeding before making any payment to the Guarantor, and to the full extent necessary for that purpose the Guarantor hereby assigns to you all the Guarantor's right to any payments or distributions to which the Guarantor otherwise would be entitled. If the amount so paid is greater than the guaranteed obligations then outstanding, you will pay the amount of the excess to the party entitled thereto.

15. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law and, without restricting the generality of the foregoing, if you hold one or more guarantees executed by the Guarantor relating to Credit extended to the Borrower by you, the amount of the Guarantor's liability imposed by such other guarantee or guarantees shall be added to the amount of the Guarantor's liability imposed by the provisions hereof and the resulting total shall be the amount of the Guarantor's liability.

16. The Guarantor shall pay to you on demand (in addition to all debts and liabilities of the Borrower hereby guaranteed) all costs, charges and expenses (including without limitation, lawyer's fees as between Solicitor and his own client basis) incurred by you for the preparation, execution, perfection and enforcement of this Guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each such costs, charges and expenses until payment by the Guarantor hereunder.

17. In case of default you may maintain an action upon this Guarantee whether or not the Borrower is joined therein or separate action is brought against the Borrower or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the Guarantor or by any number of successive actions until and unless all Indebtedness hereby guaranteed has been paid and each of the Guarantor's obligations hereunder has been fully performed.

18. If any provision of this Guarantee is determined in any proceeding by a Court of jurisdiction to be invalid or to be wholly or partially unenforceable, that provision shall, for the purposes of such a proceeding, be severed from this Guarantee at the Lender's option and shall be treated as not forming a part hereof and all the remaining provisions of this Guarantee shall remain in full force and shall be unaffected thereby.

19. Any notice or demand which you may wish to give may be served on the Guarantor either personally or on his legal personal representative or in the case of a corporation on an officer of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed.

20. This Guarantee shall be construed in accordance with the laws of the Province of Ontario and in any action thereon the Guarantor shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any Guarantor or their heirs, executors, administrators, legal personal representatives, successors and/or assigns shall be binding on them.

21. Any word herein contained importing the singular number shall include the plural and any word importing the masculine gender shall include the feminine gender and any word importing a person shall include a corporation, partnership, firm and any entity.

22. In the event of your making a demand upon the undersigned upon this Guarantee the undersigned shall be held and bound to you directly, jointly and severally as principal debtor in respect of the payment of the amounts hereby guaranteed.

23. This Guarantee and agreement on the part of the Guarantor shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the Guarantor and his heirs, executors, administrators, legal personal representatives, successors and assigns.

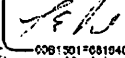
24. The parties hereto agree that this Guarantee may be transmitted by facsimile, email or such similar device and that the reproduction of signatures by facsimile, email or such similar device will be treated as binding as if an original.

25. This Guarantee may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be but one and the same instrument.

(Balance of page intentionally left blank. Signature page to follow.)

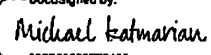
IN WITNESS WHEREOF the Guarantor has hereto set their hands and seals, this 28th day of January, 2022.

8522146 CANADA INC.

DocuSigned by:

Per: _____
Name: Trevor Rabie
Title: President


I have the authority to bind the Corporation

RODALE CONSTRUCTION INC.

DocuSigned by:

Per: _____
Name: Michael Katmarian
Title: President

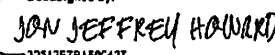
I have the authority to bind the Corporation


EVOKE SOLUTIONS INCORPORATED

DocuSigned by:

Per: _____
Name: Jon Jeffrey Howard
Title: President

I have the authority to bind the Corporation

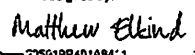
WELLAND REAL ESTATE INC.

DocuSigned by:

Per: _____
Name: Jon Jeffrey Howard
Title: President

DocuSigned by:

Per: _____
Name: Trevor Rabie
Title: Secretary

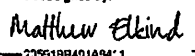
We have the authority to bind the Corporation

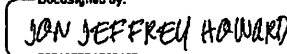
ELK CAPITAL LTD

DocuSigned by:

Per: _____
Name: Matthew Elkind
Title: President

I have the authority to bind the Corporation

2807435 ONTARIO INC.

DocuSigned by:

Per: _____
Name: Matthew Elkind
Title: President

DocuSigned by:

Per: _____
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

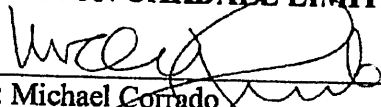
QUEENSTON OAKDALE LIMITED

Per: _____
Name: Michael Corrado
Title: President
I have the authority to bind the Corporation

DocuSigned by:
Shida Azari
Witness: _____
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Shida Azari
Witness: _____
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Shida Azari
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Shida Azari
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DocuSigned by:
Trevor Kahle
Trevor Kahle
DocuSigned by:
Matthew Elkind
Matthew Elkind
DocuSigned by:
Stephan Katmarian
Stephan Katmarian
DocuSigned by:
JON JEFFREY HOWARD
Jon Jeffrey Howard
Michael Corrado

QUEENSTON OAKDALE LIMITED

Per: 
Name: Michael Corrado
Title: President
I have the authority to bind the Corporation

Witness: _____

Trevor Rabie

Witness: _____

Matthew Elkind

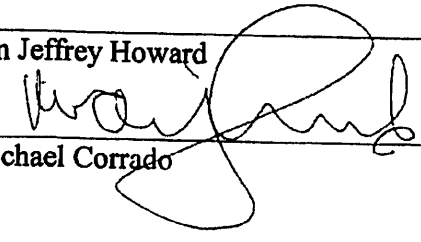
Witness: _____

Stephan Katmarian

Witness: _____

Jon Jeffrey Howard

Witness: 


Michael Corrado

This is **Exhibit E**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script that reads "J. Montgomery". The signature is written in black ink and is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Properties

PIN 46267 - 0101 LT **Interest/Estate** Fee Simple

Description LT 3500 CP PL 2 GRANTHAM; LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506-3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; PT 1 30R1484; LTS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T RO535289, RO713328;; CITY OF ST. CATHARINES

Address 142 QUEENSTON 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 2807823 ONTARIO INC.

Address for Service 624 King Street West
Toronto, Ontario
M5V 1M7

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

Chargee(s)	Capacity	Share
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Name FIRST SOURCE FINANCIAL MANAGEMENT INC.		
Address for Service 2235 Sheppard Avenue East Suite 1202 Toronto, Ontario M2J 5B5		

Statements

Schedule: See Schedules

Provisions

Principal	\$10,500,000.00	Currency	CDN
Calculation Period	monthly not in advance		
Balance Due Date	2023/06/08		
Interest Rate	18% per annum		
Payments			
Interest Adjustment Date	2022 02 01		
Payment Date	1st day of each month		
First Payment Date	2022 03 01		
Last Payment Date	2023 06 08		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	8522146 Canada Inc., Rodale Construction Inc., Evoke Solutions Incorporated, Welland Real Estate Inc., Elk Capital Ltd.		

Additional Provisions

Guarantors continued: 2807435 Ontario Inc., Queenston Oakdale Limited, Trevor Rabie, Matthew Elkind, Stephan Katmarian, Jon Jeffrey Howard and Michael Corrado
Payments: Interest only, monthly.

Signed By

Cheryl Lynn Moore	5000 Yonge Street, 10th Floor Toronto M2N 7E9	acting for Chargor(s)	Signed 2022 01 31
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Tel 416-222-8888

Fax 416-218-1860

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

Submitted By

CHAITONS LLP 5000 Yonge Street, 10th Floor 2022 01 31
Toronto
M2N 7E9

Tel 416-222-8888
Fax 416-218-1860

Fees/Taxes/Payment

Statutory Registration Fee \$66.30
Total Paid \$66.30

File Number

Chargor Client File Number : 68782

THIS IS A SCHEDULE TO A CHARGE/MORTGAGE between 2807823 ONTARIO INC. (the "Chargor") and FIRST SOURCE FINANCIAL MANAGEMENT INC., as Chargee (the "Chargee") relating to the lands and premises being legally described on Page 1 of the Charge/Mortgage to which this Schedule is attached and being located at 142 Queenston Street, City of St. Catharines (PIN 46267-0101 (LT) (the "Lands" or "Property") as guaranteed jointly and severally by 8522146 Canada Inc., Rodale Construction Inc., Evoke Solutions Incorporated, Welland Real Estate Inc., Elk Capital Ltd., 2807435 Ontario Inc., Queenston Oakdale Limited, Trevor Rabie, Matthew Elkind, Stephan Katmarian, Jon Jeffrey Howard and Michael Corrado.

STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in Standard Charge Terms 200033. In the event of any conflict between the terms contained in this schedule and those contained in the Standard Charge Terms of SFMA or the Commitment (as defined below) in connection with this loan, the terms contained in this schedule shall, to the extent of the conflict, prevail.

SHORT FORMS OF MORTGAGES ACT

If any of the forms of words contained herein are also contained in Column One of Schedule B of the *Short Forms of Mortgages Act*, R.S.O. 1980, Ch. 474 ("SFMA") and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if this Charge contained the form of words in Column Two of Schedule B of the SFMA distinguished by the same number, and this Charge shall be interpreted as if the SFMA was still in full force and effect. The provisions of this Charge and its short form clauses shall not derogate from the Chargee's rights under the long clause in the SFMA which shall be in addition thereto or in substitution for part of parts thereof as the Chargee may elect and all shall have the force of covenant.

CHARGE

Upon the request of the Chargee, the Chargor hereby gives this Charge and charges the property secured hereby as security for full payment to the Chargee of the principal amount, interest and all other amounts payable hereunder and as security for the observance and performance of all of the obligations of the Chargor to the Chargee pursuant to this Charge and the Commitment as hereinafter defined.

ADDITIONAL PROVISIONS

PAYMENT PROVISIONS

Provided this Charge to be void upon payment at the office of the Chargee at Toronto, Ontario of TEN MILLION FIVE HUNDRED THOUSAND (\$10,500,000) DOLLARS of lawful money of Canada (the "Loan") together with interest thereon as hereinafter set forth, as well after as before maturity and both before and after default as follows:

For the period up to and including May 31st, 2023, interest calculated monthly, not in advance, at the rate of Eighteen (18%) per cent per annum on the amount outstanding from time to time shall become due and be payable monthly on the 1st day of each and every month in each and every year commencing on the 1st day of March, 2022 to and including the 1st day of June, 2023. The first payment of interest is to be computed from the 1st day of February, 2022 on the amount outstanding from time to time, to become due and payable on the 1st day of March, 2022.

For the period from and including June 1st, 2023, INTEREST calculated daily and compounded monthly, not in advance, at the rate of the greater of Eighteen (18%) per cent per annum or the rate per annum which is Fifteen and fifty-five one hundredths (15.55%) percentage points above the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce from time to time, on loans made in Canadian funds to its most favoured commercial borrowers,

which interest shall be adjusted as to fluctuations in such prime commercial lending rate from time to time, as well after as before maturity and both before and after default.

The balance of Ten Million Five Hundred Thousand (\$10,500,000) Dollars, together with interest thereon at the rate of the greater of Eighteen (18%) per cent per annum or the rate per annum which is 15.55 percentage points above the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce from time to time, on loans made in Canadian funds to its most favoured commercial borrowers, together with accrued and unpaid interest and costs shall become due and be payable on the 8th day of June, 2023.

And taxes and performance of Statute Labour; and observance and performance of all covenants, provisos and conditions herein contained.

AUTOMATIC RENEWAL

In the event that the Chargor fails to repay the principal and interest outstanding on the Maturity Date or fails to accept a renewal offer tendered by the Chargee (for any reason not attributable to the Chargee) within 10 business days of the Maturity Date, then the Chargee may at its sole option, automatically renew this charge for a period of one month from the Maturity Date, at an interest rate equal to the greater of Eighteen (18%) per cent per annum or the rate per annum which is Fifteen and fifty-five one hundredths (15.55%) percentage points above the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce from time to time on loans made in Canadian funds to its most favoured commercial borrower, which interest shall be adjusted as to fluctuations in such prime lending rate from time to time, calculated daily and payable monthly. In the event that the renewal has not been finalized within this one month period, then there will be no further extensions, and the Chargee may exercise its remedies under this Charge. The Chargee shall not be obligated to offer any renewal. All other terms and covenants under the existing Charge shall continue to apply. The Charge may be paid in full at any time during the one month renewal period, without notice, bonus or penalty. "Business day" shall mean any day on which Canadian Imperial Bank of Commerce is open for business in Toronto, Ontario, not including Saturdays and Sundays and statutory holidays in Ontario.

For greater clarity, in the event that the Loan is not repaid upon maturity, unless the Chargee has received at least thirty (30) days' prior written notice and has agreed to an extension in writing and has received approval from its investors to extend the Maturity Date of the Loan and the terms of such extension have been agreed upon by the Chargor and Chargee, the interest rate on the Loan shall continue at the greater of Eighteen (18%) per cent per annum or the rate per annum which is Fifteen and fifty-five one hundredths (15.55%) percentage points above the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce from time to time on loans made in Canadian funds to its most favoured commercial borrower, which interest shall be adjusted as to fluctuations in such prime lending rate from time to time, calculated daily and compounded monthly until the earlier of discharge or sale, whichever occurs first.

WARNING TO SUBSEQUENT ENCUMBRANCERS

PROVIDED that, notwithstanding anything hereinbefore provided, on, before or after the Maturity Date of the Charge, the Chargee shall be entitled to enter into an agreement with the Chargor to extend the Maturity Date, amend and/or increase the interest rate provided for herein or amend any of the other terms of this Charge without the requirement of obtaining the postponement of any subsequent encumbrancer to such amendments and any subsequent encumbrancers shall take/hold title to their security subject to this provision and be subordinated to such amendments.

This clause is deemed to be complete and proper notice to any subsequent charge or lien holder of the costs and charges set out herein, including those in the event of the Chargor's default. Any future chargee that registers a subsequent charge does so knowingly with full disclosure accepting all risks associated with this clause as well as other costs, fees or charges set out in this Charge. It is strongly recommended that all proposed mortgagees seek independent legal advice prior to funding any subsequent mortgage.

COMPOUND INTEREST

And it is hereby agreed that in case default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the applicable rates aforesaid, and in case the interest and compound interest are not paid in one (1) month from the time of default a rest shall be made, and compound interest at the rates aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be added to the said Principal Balance.

FORBEARANCE AGREEMENT(S)

In the event that as a result of a default by the Chargor hereunder and the Chargee, in its sole and unfettered discretion, without requirement to do so, enters into a Forbearance Agreement with the Chargor, on terms and conditions solely satisfactory to the Chargee, to extend the time for any payment due hereunder or the time for repayment of the Loan secured hereby or both, then any reasonable fee charged with respect to such Forbearance Agreement shall be secured hereunder in priority to any subsequent encumbrances with respect to the Lands secured hereunder and **any subsequent encumbrancers shall take/hold title to their security subject to this provision and be subordinated to such terms and fees due pursuant to such Forbearance Agreement.**

HOLDING OVER INTEREST BONUS

If the Charge is not repaid in full on or before the Maturity Date, the Chargor shall be required to pay to the Chargee a Holding Over Interest Bonus, in addition to any and all other rates, fees and costs to be paid to the Chargee by the Chargor pursuant to the Commitment or this Charge. More particularly, this interest bonus shall be earned by and be payable to the Chargee monthly, in advance, on the first business day of each month, including the month in which the Maturity Date occurs and shall be payable at the rate of 0.25% per month, whether a partial month or whole month, multiple by the then outstanding amount secured by this Charge (the "Holding Over Interest Bonus"). The Chargor hereby acknowledges that the requirement to pay the Holding Over Interest Bonus does not constitute an extension of the Maturity Date of the Charge. If the Charge is not repaid in full by the Maturity Date, then subject to the preceding Section re. Automatic Renewal, the same shall constitute a default by the Chargor under the Commitment and this Charge notwithstanding payment of the Holding Over Interest Bonus. The Chargor further acknowledges that the Chargee, at its option, may add the Holding Over Interest Bonus to the outstanding principal amount secured by this Charge and that this Charge also secures any Holding Over Interest Bonus outstanding and any subsequent encumbrancers shall take/hold title to their security subject to this provision and be subordinated to such Holding Over Interest Bonus.

The Chargor and any subsequent encumbrancer by registering their security, acknowledges and agrees that the Holding Over Holding Interest Bonus is a genuine pre-estimate of the value of the services performed for same and is not a penalty or additional interest on the Loan secured by this Charge.

ADDITIONAL PROVISIONS

For the purpose of this Charge/Mortgage, the terms "Charge", "Chargor" and "Chargee" shall also mean "Mortgage", "Mortgagor" and "Mortgagee", respectively.

FEES AND COSTS

The Chargor agrees to pay to the Chargee an administration fee of \$450 plus HST for each occurrence of the following events (provided that if the following events, which are due to a default, occur more than one time, thereafter the administration fee for each event shall be \$700 plus HST per occurrence):

- (a) Late Payment after written demand has been made;
- (b) Cheque dishonoured for any reason;
- (c) Failure to provide proof of payment of realty taxes within 30 days of the 31st day of January and the 30th day of June in each year of the term of this Charge or after a written demand being made;
- (d) Failure to provide proof of insurance coverage at least 10 business days prior to the maturity date of the initial policy delivered on the initial advance or any subsequent policy delivered pursuant to this Charge and after a written demand being made;
- (e) Cancellation of insurance coverage shall be two times the applicable administration Fee and the administration fee doubles again in the event the Chargor does not provide proof of reinstatement within 24 hours of notice by the Chargee;
- (f) Failure to provide post-dated cheques when required after a written demand has been made;
- (g) Failure to notify the Chargee of registration of a lien within 10 days of registration of same;
- (h) Requests for Mortgage Statement;
- (i) Request for discharge statement or notice of default letter;
- (j) Default under any other mortgage, charge or encumbrance with respect to the property secured hereby;
- (k) Each meeting required by the Chargor or Chargee because of an issue that has arisen regarding the Loan secured hereby;
- (l) Each three telephone attendances and/or emails required by the Chargor or Chargee because of an issue that has arisen regarding the Loan secured hereby.
- (m) Each construction advance;
- (n) Each property inspection relating to a second or further mortgage advance, default, insurance matter or any other matter, at Chargee's sole discretion;
- (o) After a request for discharge, a discharge statement administration fee.

The Chargor agrees to pay all reasonable legal and other expenses incurred by the Chargee in connection with the preparation and registration of any security interests pursuant to the Personal Property Security Act, and any renewals thereof, forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charged hereunder shall be added to the principal sum secured by the within Charge if not paid by the Chargor.

SERVICE FEES AND FORBEARANCE FEES AND COSTS

Any service or administration fee as set out above, including any forbearance fees and costs owing by the Chargor to the Chargee which are not paid shall be added to the mortgage indebtedness and shall bear interest at the rates herein set forth calculated from the date such fees and costs became due and payable.

The Chargor, Guarantor and any subsequent encumbrancer acknowledge and agree that the service fees and administration fees and costs provided for herein are a genuine pre-estimate of the value of the services performed for same and are not a penalty or additional interest on the Loan secured by this Charge.

NON-MERGER

Notwithstanding the registration of this Charge and the advance of funds hereunder, the terms and provisions of the Commitment addressed to 2807823 Ontario Inc. as Borrower issued by First Source Mortgage Corporation dated the 19th day of November, 2021, as same may be amended (the "Commitment") shall remain binding and effective upon the parties and shall not merge on the execution and registration of this Charge and other security. It is understood and agreed that any default under the said Commitment shall be deemed a default under this Charge. In the event of an inconsistency between the terms of this Charge and the terms of the Commitment or the interpretation of the terms of the Commitment, the terms of this Charge shall prevail.

The Chargor acknowledges that the terms and provisions of the Commitment are not exhaustive. The Chargor acknowledges that any provision contained in this Charge or any of the other

Security Documents, which are not dealt with in the Commitment or which expand and elaborate on provisions in the Commitment shall be deemed not to be an inconsistency or in conflict with the provisions of the Commitment.

POSSESSION UPON DEFAULT

Upon default in payment of principal or interest under this Charge or in performance of any of the terms and conditions hereof, the Chargee may enter into and take possession of the land hereby charged, free of all manner of former conveyances, mortgages, charges or encumbrances without the let, suit, hindrance, interruption or denial of the Chargor or any other person whatsoever.

PAYMENTS

ANY DISCHARGE of this Charge shall be prepared by the Chargee at the Chargor's expense.

All payments hereunder shall be made to the Chargee at:

First Source Financial Management Inc.
2235 Sheppard Avenue East, Suite 1202
Toronto, Ontario
M2J 5B5

or such other place as the Chargor is notified of from time to time.

All payments received after 1:00 p.m. shall be deemed to have been made on the next "Bank Business Day" following receipt. For the purposes of this Charge, Saturday, Sunday, Provincial and Federal Holidays shall be deemed to be non-Bank Business Days.

All payments payable hereunder to the Chargee shall be payable at par in lawful money of Canada at such place as the Chargee or other holder of the Charge shall designate in writing from time to time.

In the event that any of the monies secured by this Charge are forwarded to the Chargee by mail, payment will not be deemed to have been made until the Chargee has actually received such monies and the Chargor shall assume and be responsible for all risk of loss or delay.

The Chargor acknowledges and agrees that any payments made to discharge the said Charge to the Chargee's Solicitors or any other authorized agents of the Chargee shall not be deemed to constitute payment received by the Chargee until the same is received by the Chargee at its offices as set out above.

ENVIRONMENTAL

The Chargee or agent of the Chargee may, at any time, before and after default, and for any purpose deemed necessary by the Chargee, enter upon said lands to inspect the land and buildings thereon. Without in any way limiting the generality of the foregoing, the Chargee (or its respective agents) may enter upon the said lands to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee, acting reasonably, and the reasonable cost of such testing, assessment, investigation or study, as the case may be, with interest at the mortgage rate, shall be payable by the Chargor forthwith and shall be a charge upon the said lands. The exercise of any of the powers enumerated in this clause shall not deem the Chargee, or its respective agents to be in possession, management or control of the said lands and buildings.

In consideration of the advance of funds by the Chargee, the Chargor and the Guarantor hereby agree that, in addition to any liability imposed on the Chargor and Guarantor under any instrument evidencing or securing the Loan indebtedness, the Chargor and Guarantor shall be jointly and severally liable for any and all of the cost, expenses, damages, or liabilities of the Chargee, its directors and officers (including, without limitation, all reasonable legal fees)

directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Property of any hazardous or noxious substances and such liability shall survive foreclosure of the security for the Loan and any other existing obligations of the Chargor and Guarantor to the Chargee in respect of the Loan and any other exercise of any remedies available to them of any default under the Charge.

The Chargor hereby indemnifies the Chargee, its officers, directors, employees, agents and its shareholders and agrees to hold each of them harmless from and against any and all losses, liabilities, damages, costs, expenses and claims of any and every kind whatsoever which at any time or from time to time may be paid, incurred or asserted against any of them for, with respect to, or as direct result of, the presence on or under, or the discharge, emission, spill or disposal from, the Property or into any land, the atmosphere, or any watercourse, body of water or wetland, of any Hazardous Material where it has been proven that the source of the Hazardous Material is the Property (including, without limitation: (i) the costs of defending any/or counterclaiming over against third parties in respect of any action or matter; and (ii) any cost, liability or damage arising out of a settlement of any action entered into by the Chargee; and the provisions of and undertakings and indemnification set out in this Section shall survive the satisfaction and release of the Security Documents as hereinafter defined and payment and satisfaction of the mortgage and liability of the Chargor to the Chargee pursuant to this Agreement. The indemnity contained herein in favour of the Chargee shall enure to the benefit of the Chargee's successors and assignees of the Security Documents. For the purposes of this Section "Hazardous Material" means any contaminant or pollutant or any substance that when released in the natural environment is likely to cause at some immediate or future time, material harm or degradation to the natural environment or material risk to human health and without restricting the generality of the foregoing, hazardous waste or dangerous goods as defined by applicable federal, provincial or municipal laws for the protection of the natural environment or human health.

The indemnity contained herein shall survive the repayment of the mortgage and shall continue in full force and effect so long as the possibility of any such liability, claim or loss exists.

BREACH OF COVENANT

A breach of any covenant contained in this Charge shall constitute a default hereunder and at the option of the Chargee, it may avail itself of the remedies contained in this Charge or available at law.

SEVERABILITY

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

COLLECTION OF RENTS

Notwithstanding anything to the contrary contained within the Standard Charge Terms, in the event that the Chargee collects any payments of rent due to the Chargor's default, the Chargee shall be entitled to receive from such rent a management fee of ten percent (10%) of all the gross receipts from such rent, it being understood for greater certainty that the Chargor and Chargee have agreed that in the circumstances a management fee equal to ten percent (10%) of gross receipts received by the Chargee in the collection of such rents is a just and equitable fee having regard to the circumstances.

MANAGEMENT FEE

In the event that the Chargee or its agents takes possession of the property secured hereby as a

result of default under the Charge, or in the event that the Chargee or its agents commence Power of Sale proceedings, or if a receiver is appointed as a result of default under this Charge, the Chargee will be entitled to a Management of \$15,000 per month supported reasonably by documentation for time and expenses to be provided. Hourly rates for a mortgage manager in a default loan is \$1,500 per hour plus \$850 per hour for each support staff individual, which fee the Chargor acknowledges is a reasonable estimate of the fees to be incurred for the time value and opportunity with investors, dealing with professional advisors, appraisal companies, environmental engineers, building inspector, receiver, legal counsel, attending meetings, checking property taxes, work orders, liens or other matters, acting generally in accordance with the requirements of a mortgage manager of a mortgaged property in default, which amount is deemed not to be a penalty.

This section is also deemed to be complete and proper notice to any subsequent charge or lien holder of the above-noted costs and charges in the event of the Chargor's default. Any future chargee that registers a subsequent charge with or without written permission of the Chargee does so knowingly with full disclosure and accepting all risks associated with this section as well as other costs, fees or charges set out in this Charge. It is strongly recommended that all proposed chargees seek independent legal advice prior to funding any subsequent mortgage.

MANAGEMENT FEES ON POSSESSION

In the event of default under the Charge by the Chargor beyond the applicable grace period and the Chargee obtains possession of the property secured hereby and it determines, in its sole discretion that the property secured hereby requires work and/or improvements in order to market the property secured hereby, then the Chargee shall have the right, at its sole option, to complete such work on such terms as it deems advisable. The cost of completion of the servicing and/or work by the Chargee and its agents and all expenses incidental thereto shall be added to the loan amount, together with a management fee of 15% of the costs of the work and improvements completed by the Chargee, provided that it is limited to bringing the property secured hereby only up to the condition it was at the time of the advance, unless work already has been started on a building and in such event, such work may be completed. All costs and expenses, as well as said management fee shall bear interest at the rates as herein provided for and shall form part of the Loan secured hereunder and the Chargee shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of mortgage principal and interest hereunder or at law.

The above paragraph is also deemed to be complete and proper notice to any subsequent charge or lien holder of the above-noted costs and charges in the event of the Chargor's default. Any future chargee that registers a subsequent charge does so knowingly with full disclosure and accepting all risks associated with the above paragraph as well as other costs, fees or charges set out in this Charge. It is strongly recommended that all proposed chargees seek independent legal advice prior to funding any subsequent mortgage.

DEFAULT ABANDONMENT

In the event of abandonment for a period in excess of fifteen (15) consecutive days, the Chargee shall be entitled to, after giving the Chargor fifteen (15) days' notice of any abandonment or failure to continue business operations or any failure to construct with due diligence and, provided the Chargor fails to rectify same, forthwith withdraw and cancel its obligations hereunder and/or declines to advance further funds, if any, as the case may be and to declare any monies theretofore advanced with interest to be forthwith due and payable, at its sole option.

NON-TRANSFER

Paragraph 14 of Standard Charge Terms 200033 is hereby deleted and replaced with the following:

In the event that the Chargor sells, conveys, transfers or assigns with respect to the property herein described to a purchaser, transferee or assignee or in the event of a change of shareholders

of the Chargor which results in a change of control of the Chargor or in the event of a change in the beneficial ownership of the property herein described, without first obtaining the consent in writing of the Chargee, which consent shall not be unreasonably withheld, the entire principal sum and interest hereby secured shall, at the option of the Chargee, forthwith become due and payable, together with the Chargee's then current prepayment penalties and fees.

PAYMENT OF OTHER CHARGES AND PERFORMANCE OF THEIR OBLIGATIONS BY THE CHARGE

The Chargor covenants and agrees with the Chargee to pay all property taxes, public utility rates and charges as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Chargor to comply with this covenant shall constitute an event of default hereunder and entitle the Chargee at its sole option to avail itself of remedies available hereunder and at law including the right to accelerate the principal sum secured hereunder together with all accrued interest thereon plus costs pursuant to this charge.

If at any time or from time to time any default or breach of covenant occurs under any encumbrance registered against the property secured hereby and which encumbrance has priority over this Charge and which default is not cured within the grace periods permitted by such encumbrance, it shall constitute default under this Charge and the Chargee may pay all monies and take appropriate action to cure any default or breach under any such encumbrance.

In addition, at the Chargee's sole option, the Chargor hereby agrees that the Chargee may satisfy any charge, lien, any matter raised in the previous paragraph or other encumbrance now or hereafter existing or to arise or be claimed upon the charged lands and the amount so paid together with all costs associated therewith shall be added to the principal sum hereby secured and bear interest at the rate of interest set forth herein and shall be payable forthwith by the Chargor to the Chargee and in default of payment, the entire principal sum, accrued interest and costs, shall become payable, at the option of the Chargee, and the remedies hereby given and available at law may be exercised forthwith without notice. In the event of the Chargee satisfying any such charge or claim, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge, cessation of charge or assignment of charge unregistered until paid.

BANKRUPTCY AND INSOLVENCY

THE CHARGOR hereby waives and releases any right that it may have to receive from the Chargee notice of intention to enforce security pursuant to subsection 244(1) of the Bankruptcy and Insolvency Act (Canada). This waiver and release shall not be deemed or interpreted to be a prior consent to earlier enforcement of a security within the meaning of subsection 244(2.1) of the said Act.

THE CHARGOR hereby acknowledges and agrees that the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor. The Chargor hereby further acknowledges and agrees that notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Lands as agent on behalf of the Chargor or otherwise or by taking possession of the Lands itself pursuant to any rights that the Chargee may have with respect thereto shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or enforcement of this Charge or any other security held by the Chargee. The Chargor hereby acknowledges and agrees that no action shall lie against the Chargee as a receiver and manager or otherwise for any loss or damage arising from noncompliance with any obligations of a receiver pursuant to the provisions of the Bankruptcy and Insolvency Act (Canada) whether or not the Chargee had reasonable grounds to believe that the Chargor was not insolvent.

AND THE CHARGOR further acknowledges and agrees that any and all reasonable costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor. The Chargee shall be entitled to incur any such reasonable costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall bear interest at interest rates herein provided and be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

INDEPENDENT LEGAL REPRESENTATION

The Chargor and Guarantors (the "Parties") hereto acknowledge that they have full knowledge of the purpose and essence of this Charge/Mortgage transaction, and that they have been appropriately and legally represented in that regard. The Chargor acknowledges that the Charge, all supporting security documents and all electronic documents including the Charge, Notice of Assignment of Rents and Acknowledgment and Direction (the "Documents") and the effect of the Chargee's solicitors signing any of the electronic documents have been fully explained to the Chargor by its own independent counsel. The Chargor acknowledges that it has fully understood the import of the Documents. The Parties agree to provide to the Chargee a Certificate of Independent Legal Representation as and when the same may be required, regarding their knowledge and understanding of this transaction.

TAXES

At the Chargee's option, THE CHARGOR, in addition to the aforesaid payments of principal and interest, covenants and agrees to pay taxes as hereinafter provided, the Chargee shall reasonably estimate the amount of the taxes chargeable against the said lands payable in each year and the Chargor shall pay to the Chargee one-twelfth of the estimated annual amount together with the aforesaid payments of interest in each and every month during the term of this Charge, commencing with the first payment date aforesaid and the Chargee shall apply such payments on the taxes so long as the Chargor is not in default under this charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of the taxes more oftener than yearly; provided, however, that if the Chargor shall pay any sum or sums to the Chargee to apply on the taxes, and if before the same shall have been so applied there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payments of the principal and/or interest in default, and in the event that the taxes actually charged for any one year, together with any interest and penalties thereon, exceed the estimated amount, the Chargor shall pay to the Chargee on demand the amount required to make up the deficiency; and if the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose; and the Chargor shall transmit to the Chargee forthwith after receiving them the assessment notices, tax bills and other notices affecting the imposition of taxes upon the said lands.

TAXES shall mean and include all taxes, rates and assessments of whatever nature or kind, including local improvement rates and any and all interest and penalties thereon.

THE CHARGE MAY, unless payment has otherwise been made, deduct from the charge advances, an amount necessary to pay the current year's taxes and an amount which together with the monthly tax payments to be made to and including April of the following calendar year, will be sufficient to pay the taxes for the following calendar year.

NO MONEYS paid to the Chargee pursuant to the foregoing shall be held in trust for the Chargor nor bear interest to the credit of the Chargor.

THE FOREGOING tax clause is in addition to and without prejudice to the other provisions of the within Charge in regard to realty taxes.

PREPAYMENT PROVISIONS

Provided that upon giving thirty (30) days' prior written notice and upon payment of one (1) month's interest as a bonus, the Chargor shall have the privilege on or after August 1st, 2022 of prepaying, on any payment date, the whole or any part of the said principal sum hereby secured plus interest on the principal amount then outstanding and outstanding costs and in any event upon payment of the discharge statement administration fee of the Chargee as herein set out or, upon giving sixty (60) days' prior written notice, the Chargor shall have the privilege on or after August 1st, 2022 of prepaying, on any payment date, as set out in the written notice, the whole or any part of the said principal sum hereby secured plus interest on the principal amount then outstanding and outstanding costs and in any event upon payment of the discharge statement administration fee of the Chargee as herein set out.

- (a) if prepayment of any part of the principal secured hereunder is made by reason of payment after acceleration upon the occurrence of a default, the Chargor agrees to pay to the Chargee three (3) months' interest on the principal amount prepaid at the rate of interest chargeable hereunder at the time of prepayment as hereinbefore set out.
- (b) if the principal sum, accrued interest thereon and any of the sums which may be due hereunder is not repaid on or before the Maturity Date or on the date set out in a notice of intention to discharge /repay, then the Chargor agrees to pay to the Holder in addition to the amounts required to obtain a discharge, three (3) months interest at the rate of interest chargeable hereunder on the principal balance outstanding on the date the Mortgage was to be repaid in accordance with the foregoing notice.

It is understood and agreed that, at the Chargee' option, no further money, if any, yet to be advanced, will be advanced pursuant to this Charge and the Loan secured hereby once notice of intention to discharge/repay in full is received by the Chargee.

FINAL PAYMENT AND DISCHARGE

The Chargor covenants and agrees that the payment at maturity, or earlier if notice to prepay is delivered pursuant to the terms of this Charge, of the Charge shall be by solicitor's certified cheque or funds wired from a Canadian Schedule I Bank. After payment in full of the principal sum and all other amounts hereby provided, a discharge of the Charge shall be prepared by the solicitor for the Chargee, at the cost and expenses of the Chargor within a reasonable time after written request of the Chargor.

SECURITY INTEREST IN CHATTELS

It is hereby mutually covenanted and agreed by and between the parties hereto that all chattels, erections and improvements, fixed or otherwise, now or hereafter put upon the said Lands and owned by the Chargor, including, but without limiting the generality of the foregoing, heating equipment, air-conditioning and ventilation equipment, blinds, storm windows and doors, window screens, etc. and all apparatus and equipment appurtenant thereto are and shall in addition to other fixtures thereon, be and become fixtures and an accession to the freehold and a part of the realty as between the parties hereto, their heirs, executors, administrators, successors, legal representatives and assigns, and all persons claiming thereunder and shall be a portion of the security for the indebtedness hereinbefore mentioned.

The Chargor covenants and agrees to execute and deliver to the Chargee, on demand, a security interest in all chattels, furnishings, equipment, appliances and all other personal property owned now or in the future by the Chargor and situate in or about the herein described Lands. The form and content of such security interest shall be acceptable to the Chargee. The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of the security interest and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charged hereunder, shall be added to the principal sum secured by the within charge if not paid by the Chargor.

PAYMENT OF COSTS

The Chargor shall pay to the Chargee on demand all reasonable legal fees payable on a solicitor and his own client basis, costs and out-of-pocket expenses incurred by any of the Chargee, its agents, officers and employees with respect to:

- (a) the preparation of this Charge, any renewals thereof and related security documents (the "Security Documents") and any other documents, agreements and instruments required pursuant hereto or thereto and any costs associated with realization under this Charge or the Security Documents;
- (b) the Chargee obtaining advice, after default occurs, as to its rights and responsibilities under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto or in the event of exercise of any or all of its remedies hereunder or thereunder;
- (c) the exercising of any or all of the rights, remedies and powers of the Chargee under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto, or in defending or taking any measures to defend any action, claim, cause of action or in proceedings directly or indirectly relating to the provisions of any such instrument or document;
- (d) any or all of the taking of, recovering of possession of any assets or property of the Chargor, or any proceedings taken for the purpose of enforcing any rights or remedies provided in this Charge or in any instrument or document comprising the Security Documents or relating thereto, or any proceedings otherwise taken in relation to any assets or property of the Chargor or subject to the security given by the Chargor to the Chargee, or any proceedings taken by reason of any non-payment or non-performance of the obligations of the Chargor hereunder;
- (e) any appraisals, environmental reports, engineering reports, cost consultants reports, or any other reports obtained at any time by the Chargee relating to the Lands; and
- (f) on each anniversary of the Charge, the Chargee shall request from its solicitors a corporate Status Certificate for the Chargor. All costs of such searches will be on account of the Chargor and will be payable upon invoice and shall be billed and be paid with the next monthly mortgage payment.

In the event the Chargor fails to pay any such legal fees, costs and expenses to the Chargee forthwith upon demand by the Chargee, then the amount of such unpaid legal fees, costs and expenses shall be added to the mortgage indebtedness secured hereunder and shall bear interest at the rate herein set forth.

LIMIT ON RATE OF INTEREST

- (a) Adjustment

If any provision of the Commitment, this Charge or any other security document would oblige the Chargor to make any payment of interest or other amount payable to the Chargee in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Chargee of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in receipt by the Chargee of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:

- (i) firstly, by reducing the amount or rate of interest required to be paid hereunder as applicable; and

- (ii) thereafter, by reducing any fees, commissions, premiums and other amounts which would constitute interest for purposes of Section 347 of the Criminal Code (Canada).

- (b) Reimbursement

If, notwithstanding the provisions subsection (a) above, and after giving effect to all adjustments contemplated thereby, the Chargee shall have received an amount in excess of the maximum permitted by such subsection, then the Chargor shall be entitled, by notice on writing to the Chargee, to obtain reimbursement from the Chargee of an amount equal to such excess, and pending such reimbursement such amount shall be deemed to be an amount payable by the Chargee to the Chargor.

- (c) Calculation

Any amount or rate of interest referred to in this Section shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term of any revolving loan on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time be prorated over that period of time and otherwise be prorated over the period from the date of this Charge to the maturity date thereof and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Chargee shall be conclusive for the purposes of such determination.

INSURANCE

The Chargor will insure, and keep insured in favour of the Chargee, against loss or damage by fire, and as the Chargee may require insure against loss or damage by tempest, tornado, cyclone, lightning, boiler explosions, comprehensive general and public liability and other risks or hazards each and every building (and the income therefrom), structure and fixture on the land (the "buildings") and which may hereafter be erected thereon, both during erection and thereafter for the full insurable amount thereof in lawful money of Canada in a form and with a Company approved by the Chargee, acting reasonably. The Chargor will forthwith assign, transfer, and deliver over unto the Chargee, with a mortgage clause satisfactory to the Chargee attached and providing that the loss shall be payable to the Chargee, all of said policies of insurance and premium receipts therefore appertaining and the Chargee shall have a lien for the charge debt on all insurance on the said buildings. If the Chargor shall neglect to insure or keep any buildings insured as aforesaid or to deliver such policies and receipts or to produce to the Chargee, at least 15 days prior to the termination of any insurance, evidence of renewal thereof, the Chargee shall be entitled but shall not be obliged to insure any buildings and may pay any premiums therefor and charge the same to the Chargor with interest thereon at the rates set out in the Charge and any premiums so paid shall also be a charge on the land and shall be forthwith payable by the Chargor with interest. The Chargor shall, forthwith on the happening of any loss or damage, furnish, at the Chargor's expense, all necessary proofs and do all necessary acts to enable the Chargee to obtain payment of the insurance moneys. Any insurance money received may, at the option of the Chargee, be applied in rebuilding, re-installing, or repairing any building or be paid to the Chargor or any other person appearing by the registered title to be the owner of the land or be applied in the sole discretion of the Chargee, in full or in part on the charge debt or any part thereof whether due or not then due, or paid partly in one way and partly in another. In the event of any conflict between the provisions of this clause respecting insurance and the provisions of the Standard Charge Terms applicable to this charge, then the provisions of this clause shall prevail.

INSURANCE RENEWAL

The Chargee shall be entitled to its standard servicing fee for dealing with each cancellation, premium payment or other non-compliance with insurance requirements. In the event that the

evidence of continuation of insurance as herein required has not been delivered to the Chargee, the Chargee shall be entitled to its standard servicing fee for each written inquiry which the Chargee shall make to the insurer pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the said lands, the Chargee in addition to the aforementioned servicing fee shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

POST-DATED CHEQUES

The Chargor shall provide to the Chargee post-dated cheques for each year of the term of the Charge. Each cheque is to be in the amount of the monthly installment payable under the Charge. The Chargee shall have the right to direct the Chargor to deliver one or more separate cheques for each monthly payment totaling the monthly installment. Alternatively, the Chargor shall provide Pre-Authorized Payments to be drawn from the Chargor's chosen Bank at the Chargee's request at any time and shall provide the Chargee with all necessary information for this purpose as required. **Post-Dated cheques should be made payable to "First Source Financial Management Inc." unless instructed in writing otherwise.**

APPOINTMENT OF RECEIVER

IT IS DECLARED and agreed that at any time and from time to time when there shall be default under the provisions of this Charge, beyond the applicable cure period, then the Chargee in addition to any other rights which it may have, may at such time and from time to time and with or without entering into possession of the Lands appoint in writing a Receiver of the Lands, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the Mortgages Act (Ontario), the Construction Lien Act (Ontario), or the Trustee Act (Ontario) as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Lands or any part thereof and to do all things necessary as an owner would be entitled to do to sell the Property, and the Chargor hereby consents to a Court Order for the appointment of such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the Chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, lease and/or sell the Lands and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Lands, including without limitation, charges and construction lien claims.

UPON the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) A Statutory Declaration made by the Chargee or by any authorized representative of the Chargee as to default under the provisions of this Charge shall be prima facie evidence thereof, subject to manifest error;
- (b) Every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect to the Lands, or any part thereof, whether in respect of any tenancies created in priority to this Charge or subsequent thereto and with respect to all responsibility and liability for its acts and omissions;
- (c) The Chargee may from time to time fix the reasonable remuneration of every such Receiver which shall be a charge on the Lands, and may be paid out of the income therefrom or the proceeds of sale thereof;

- (d) The appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may be done by any such Receiver or the removal of any such Receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession in respect of the Lands or any part thereof;
- (e) The Receiver shall have the power to rent any portion of the Lands for such term and subject to such provisions as it may deem advisable or expedient and shall have the authority to execute any lease of the Lands or any part thereof in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm, and hereby ratifies and confirms whatever acts such Receiver may do on the Lands;
- (f) In all instances, the Receiver shall be acting as the attorney or agent of the Chargor;
- (g) Every such Receiver shall have full power to complete any unfinished construction upon the Lands;
- (h) Such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Chargor for the purposes of securing the payment of rental from the Lands or any part thereof;
- (i) The Receiver shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Lands on the date of this Charge or at any time thereafter;
- (j) The Receiver shall have full power to do all acts and execute all documents which may be considered necessary or advisable in order to protect the Chargee's interest in the Lands including, without limiting the generality of the foregoing, increasing, extending, renewing or amending all charges, mortgages and other encumbrances which may be registered against the Lands from time to time, whether or not any of the same are prior to the interest of the Chargee in the Lands; sale of the Lands; borrowing money on the security of the Lands; applying for and executing all documents in any way related to any re-zoning applications, severance of lands pursuant to the provisions of the Planning Act, as amended, subdivision agreements and development agreements and agreements for the supply or maintenance of utilities or services to the Lands, including grants of lands or easements or rights of way necessary or incidental to any such agreements; executing all grants, documents, instruments and agreements related to compliance with the requirements of any competent governmental authority, whether pursuant to a written agreement or otherwise and applying for and executing all documents in any way related to registration of the Lands as a condominium; completing any application for first registration pursuant to the provisions of the Land Titles Act (Ontario) or pursuant to the Certification of Titles Act (Ontario); and for all and every of the purposes aforesaid it does hereby give and grant unto the Receiver full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done as aforesaid in and about the Lands, and to commence, institute and prosecute all actions, suits and other proceedings which may be necessary or expedient in and about the Lands, as fully and effectually to all intents and purposes as it itself could do if personally present and acting therein.
- (k) Such Receiver shall not be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof and out of such cash so received every such Receiver shall pay in the following order:
 - (i) its remuneration;

- (ii) all payments made or incurred by it in the exercise of its powers hereunder;
- (iii) any payment of interest, principal and other money which may from time to time be or become charged upon the Lands in priority to the monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Lands or any part thereof.

The Chargee shall not be liable to the Receiver for his remuneration costs, charges or expenses, and the Receiver shall not be liable for any loss howsoever arising unless the same shall be caused by his own gross negligence or wilful misconduct or default; and he shall, when so appointed by notice in writing pursuant hereto, be deemed to be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for his remuneration.

OTHER SECURITY

This Charge is in addition to and not in substitution for any other security now or hereafter held by the Chargee.

NO "DEEMED REINVESTMENT"

The parties hereby agree that the Chargee shall not be deemed to reinvest any monthly or other payments received by it hereunder.

CROSS DEFAULT

The occurrence of an event of default under any one of the security documents held by the Chargee relating to the Chargor and/or Guarantors or a company related to the Chargor and/or any of the Guarantors will constitute an event of default under all other security documents and loans to the Chargor and/or any of the Guarantors or a company related to the Chargor and/or the Guarantors or any of them held by the Chargee or in the name of an associated or affiliated corporation to the Chargee.

If the Chargee takes any proceeding pursuant to the Charge or other security document by reason of the Chargor's default the Chargee shall be entitled to add to the Charge debt a service and administration fee (pursuant to this schedule) and a property inspection fee in addition to all other fees, costs, claims or demands to which the Chargee is also entitled.

AGREEMENTS IN WRITING

No agreement for modification to the within Charge or to any other security agreement provided to the Chargee, including any renewals hereof or for extension of the time for payment of the indebtedness due hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the Maturity Date or of any subsequent term agreed to in writing between the Chargor and the Chargee and that no modification, amendment, at any time to the within Charge or to any security agreement provided to the Chargee or any renewal hereof or extension of the time for payment of any indebtedness due hereunder shall result from, or be implied from, any other act, matter or thing, save only an express agreement in writing between the Chargor and the Chargee.

EVENTS OF DEFAULT

The following shall constitute events of default hereunder entitling the Chargee to exercise its remedies hereunder or as available at law:

- (i) if, in the Chargee's opinion, acting reasonably, the financial position of the Chargor the charged lands herein, the Chargor's representations and warranties contained hereon or contained in any application for this Charge shall have suffered any material adverse change;

- (ii) if any action, suit or other proceeding is pending or commenced which may materially adversely affect the Chargor or the herein charged lands;
- (iii) if any event shall occur which materially and adversely affects the whole or part of the value of the charged lands or the financial position of the Chargor; or
- (iv) if any of the representations or warranties made by the Chargor in its application for the Loan or any document delivered pursuant hereto or otherwise is incorrect in any material respect.

STATEMENT OF MORTGAGE BALANCE

The Chargee shall be paid its then current fee for each request for a Statement of Mortgage, to be paid in advance.

ADDITIONAL SECURITIES

In the event that the Chargee (in addition to the premises secured hereunder) holds further additional securities on account of the indebtedness secured herein, it is agreed that no single or partial exercise of any of the Chargee's powers hereunder or under any of such securities, shall preclude other and further exercise of any other right, power or remedy pursuant of any of such securities or herein. The Chargee shall at all times have the right to proceed against all, any or any portion of such security or securities in such order and in such manner, cumulatively and concurrently and not alternatively, separately, successively or together as it shall in its sole discretion deem fit, without waiving any rights which the Chargee may have hereunder and with respect to any and all of such securities and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor hereunder and under the remaining securities, provided however, that upon payment of the full indebtedness secured hereunder the rights of the Chargee hereunder and with respect to any and all such securities shall be at an end, save for the Environmental Indemnity. Any judgment or recovery hereunder or under any other security held by the Chargee for the monies secured hereunder shall not affect the right of the Chargee to realize upon this or any other such security. Unless agreed to the contrary in writing no discharge of any one or more of such securities and the within Charge shall be given until the full amount of the principal and interest secured hereby has been paid in full.

RELEASE OF INFORMATION

The Chargee is authorized to release or provide information about the Chargor or the Charge to any person claiming a construction lien on the lands, to a Credit Bureau, another credit grantor, or any other person as permitted by law.

FINANCIAL STATEMENTS

The Chargor shall provide to the Chargee, within one hundred and twenty (120) days after the end of each fiscal year of the Chargor and each corporate Guarantor the annual financial statements of the each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Chargee, acting reasonably.

All such operating and financial statements shall be prepared at the expense of the Chargor and in accordance with generally accepted accounting principles applied on a consistent basis and by a duly qualified chartered accountant or certified public accountant which is acceptable to the Chargee and shall be submitted in audited form if so required by the Chargee, at its option, and the completeness and correctness of such statements shall be supported by an affidavit of the Chargor.

With respect to the individual Guarantor one hundred and twenty (120) days after each anniversary of November 1st, 2021, the Guarantor shall provide the Chargee an annual updated net worth statement of such individual in such form and including such content and other information and explanations as may be required by the Chargee.

GUARANTOR PROVISIONS

In consideration of the Chargee advancing funds to the Chargor hereunder, 8522146 Canada Inc., Rodale Construction Inc., Evoke Solutions Incorporated, Welland Real Estate Inc., Elk Capital Ltd., 2807435 Ontario Inc., Queenston Oakdale Limited, Trevor Rabie, Matthew Elkind, Stephan Katmarian, Jon Jeffrey Howard and Michael Corrado (herein collectively referred to as the "Guarantor") do hereby, jointly and severally absolutely and unconditionally, covenant, agree and guarantee to the Chargee, as principal debtor and not as surety, that all monies to be paid as herein set forth shall be paid as herein set forth and that all covenants, agreements and provisos of the Chargor shall be completely paid, fulfilled, observed and performed in accordance with the provisions of this Charge and that if the Chargor shall fail to pay or cause to be paid the amount as hereinbefore set out or fail to perform, observe or fulfill its covenants or agreements as herein set out, then the Guarantor shall pay or cause to be paid to the Chargee the payments as herein set forth, and that the Guarantor shall continue to remain liable on his guarantee, covenant and agreement notwithstanding:

- a) Any extension of time or extensions of time from time to time which may be given by the Chargee to the Chargor for payment, observance, performance or fulfillment of any liabilities, indebtedness, agreements or obligations hereby guaranteed and/or any renewal of this charge from time to time and the Guarantor hereby covenants and agrees with the Chargee that payment shall be made in accordance with such extension or extensions of time and that if payments are not made in accordance with such extension or extensions of time the Guarantor shall make or cause to be made the payments in accordance with such extension or extension of time.
- b) Any compounding or making of any compositions or arrangements respecting any liabilities, indebtedness, agreements or obligations, hereby guaranteed.
- c) Taking of any security or securities or releasing, discharging, abandoning, giving up, modifying, varying, exchanging, renewing, assigning, abstaining from perfecting or abstaining from taking advantage of any security now held or hereafter acquired or acquired by these presents in respect of any liabilities, indebtedness, agreements or obligations hereby guaranteed or of any part of same.
- d) Realization of any securities now or hereafter held by the Chargee.

- e) Granting any indulgence whatsoever to the Chargor to any other person, firm or corporation.
- f) Discharging the Chargor, or any other person, firm or corporation.
- g) Doing or omitting to do any other act, matter or thing whatsoever with relation to the liabilities, indebtedness, agreements and obligations hereby guaranteed or any security or securities now or hereafter held in respect thereof or of any part of same.

The Guarantor hereby waives and renounces any rights, benefits, immunities, privileges and advantages which he may have by reason of being Guarantor instead of principal debtor and acknowledges he is responsible for the debt as principal debtor and not as surety.

All indebtedness and liabilities present and future of the Chargor to the Guarantor are hereby assigned to the Chargee and postponed to the present and future indebtedness and liabilities of the Chargor to the Chargee including the repayment of all the monies secured by the within charge and all monies received from the Chargor or for his account by the Guarantor or his representatives or assigns in respect thereof shall be by him received in trust for the Chargee, and forthwith upon receipt paid over to the Chargee until the Chargor's indebtedness and liability to the Chargee is fully paid and satisfied all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Chargee under this guarantee and this assignment and postponement is independent of the said guarantee and shall remain in full effect until repayment in full to the Chargee of the monies secured by the Charge notwithstanding that the liabilities of the Guarantor under the within guarantee may have been discharged or terminated, the undersigned acknowledges the assignment to the Chargee as set forth herein shall not impose upon the Chargee any obligation to do anything to realize on the assigned debts and claims or to ensure that those debts or claims do not become statute barred by the operation of law relating to limitation of actions or otherwise.

PAYMENT OF INSURANCE PREMIUMS

Provided that prior to the first advance hereunder, the Chargor shall provide the Chargee with evidence that the premiums for any insurance policies provided for under this Charge have been paid for at least the six (6) months following the first advance hereunder.

CONTINUING SECURITY

Without limiting any other provision hereof, this Charge secures, *inter alia*, a current or running account and any portion of the principal amount may be advanced or readvanced by the Chargee in one or more sums at any future date or dates and the amount of such advances and readvances when so made will be secured by this Charge and be repayable with interest at the interest rate stipulated in this Charge. This Charge will be security for the ultimate balance owing to the Chargee arising from the current and running accounts represented by advances and readvances of the principal amount or any part thereof with interest at the interest rate stipulated in this Charge and all other amounts secured hereby and notwithstanding any change in the amount, nature and form of the Loan indebtedness from time to time. If the whole or any part of the principal amount hereby or other amount secured hereby is repaid, this Charge shall be and remain valid security for any subsequent advance or readvance by the Chargee to the Chargor until such time as the Chargee has executed and delivered to the Chargor a complete discharge of this Charge. The provisions relating to defeasance contained in Subsection 6(2) of the *Land Registration Reform Act* (Ontario) are hereby expressly excluded from this Charge.

LICENCED PREMISES

In the event that this Charge is secured against lands and premises which premises are premises licenced for the carrying on of a business or for a use of any kind the following provisions shall be applicable:

- (a) The Chargor does hereby covenant and agree that all existing or future licences, permits and authorities issued by any body or authority having licensing jurisdiction, in

connection with any business or use of any kind carried on upon the charged premises, shall as of and from the date hereof stand as security for and shall be held by the Chargor for the benefit of the Chargee as security for the observance, performance and carrying out of the terms and conditions of the within Charge until the monies secured herein are fully paid and satisfied.

- (b) The Chargor covenants and agrees that it has not and will not do or omit to do any act having the effect of terminating, cancelling or preventing the renewal of existing or future licences, permits and authorities issued by any body or authority having licencing jurisdiction in connection with the business being or to be carried on the Lands or special use of any kind carried or to be carried on upon the charged premises, and the Chargor does further covenant with the Chargee that the Chargor shall comply with, observe, perform and carry out all of the provisions of all legislation governing and controlling and affecting the carrying on of the business or the use being carried on or to be carried on at the premises as well as complying, observing, performing and carrying out all of the provisions of all the rules, regulations and directions required to keep the said licences, permits and authorities in full force and effect. It is acknowledged that failure to observe, perform and carry out the terms and conditions of this provision, resulting in cancellation of the licences, permits and authorities issued or to be issued for the charged premises shall constitute default under the terms of this Charge and the whole of the principal sum and interest hereby secured shall, at the option of the Chargee, forthwith become due and payable.
- (c) The Chargor further agrees and acknowledges that, in the event of default of payment of any monies secured by this Charge as and when such payments become due, or in the event of failure of the Chargor to observe, perform or carry out any of the covenants and agreements in this Charge contained, including the conditions contained in the within paragraph, such event shall and does operate to constitute the Chargee as a successor and assign, subject to the approval of the body or authority or board or commission having licencing jurisdiction in connection with the aforesaid business or use carried on upon the charged premises or to be carried out, such approval being for all existing or future licences, permits and authorities issued by the said body or authority or board or commission, having such licencing jurisdiction in connection with the aforementioned business or use carried on upon the charged premises; provided however, the assignment is taken only as security for the due payment of the principal and interest hereby secured and as security for the due observance, performance and carrying out of the terms and conditions hereof, and subject to the reservation that none of the rights or remedies of the Chargee shall be merged or prejudiced in any way by the acceptance of this assignment as security.
- (d) In the event of any proceedings being taken by the Chargee by the reason of default being made in payment of the monies hereby secured, then in such event the Chargor shall be deemed to be in default hereunder and the Chargee shall be entitled to exercise its rights hereunder and to have the Chargee or its nominee or Receiver or assignee become holder of the above mentioned licences, permits and authorities and to apply to the body or authority or board or commission having the necessary jurisdiction for the approval of the transfer to the Chargee or his nominee, Receiver or assignee of all the licences, permits and authorities now or hereafter in existence in connection with any business or use carried on or being made of the charged premises.
- (e) This indenture further witnesses that the Chargor and the Guarantor do hereby irrevocably constitute and appoint the Chargee their attorney in the premises to do and perform all acts, matters and things necessary to effectively transfer the said licences, permits and authorities and to vest the same in the Chargee or its nominees, Receiver or assignees to all intents and purposes as the Chargor itself could do; it being agreed that this power of attorney is only exercisable on default by the Chargor. A statutory declaration that default has occurred under and in respect of the said Charge, and that such default still continues, entitling the Chargee to exercise its rights hereunder, shall be conclusive evidence of the Chargee's rights to exercise the power of attorney hereby given.

The Chargee in exercising any of the rights given to the Chargee under this Charge shall not be deemed to be a Chargee in Possession.

The Chargor and/or Guarantor(s) agree that should the Chargee herein be a trustee for beneficiaries, the Chargor and/or Guarantor(s) shall have no claims against the beneficial owners of the Charge.

FARM DEBT MEDIATION ACT

The Chargor represents and warrants that it is not a "farmer" within the meaning of the *Farm Debt Mediation Act*, S.C. 1997, c.21 (the "Act") and covenants and agrees with the Chargee that, in the event that at any time during the term of this Charge the Chargor shall become a "farmer" within the meaning of the Act, it shall forthwith provide written notice of this fact to the Chargee.

PAYMENT OF AMOUNTS OWING TO GOVERNMENTAL AUTHORITIES

During the term of the Charge and any renewal or extension thereof, the Chargor and/or the Guarantor will pay when due all amounts owing to any governmental authority which, if unpaid, would give such governmental authority recourse for such amounts ranking in priority to the within Charge or any other documents and agreements given by the Chargee to the Chargor in connection with the advance of funds hereunder and the failure to pay any such amount when due will constitute, at the option of the Chargee, a default hereunder.

UNDERTAKINGS

In the event that the Chargor defaults with respect to any of the terms of any undertakings delivered to the Chargee in consideration of the advance of funds under this Charge, or thereafter or with respect to any covenant contained in these additional provisions, such default will be an event of default under this Charge and entitle the Chargee to all of its remedies hereunder including the acceleration of the principal without further notice to the Chargee.

SUBSEQUENT ENCUMBRANCES

The Chargor and Guarantor hereby agree that in the event that a subsequent mortgage is placed on the property secured hereby, without the Chargee's written consent, which consent shall not be unreasonably withheld, that the Chargee shall have the right, at its option, to immediately declare all unpaid principal and interest and accrued interest and costs and expenses owing to the Chargee immediately due and payable, together with the Chargee's then current prepayment penalties and fees pursuant to this Charge.

PRIVACY PROVISIONS

- (a) The Chargor hereby irrevocably consents to the Chargee releasing and disclosing to any other parties, their authorized agents and solicitors requesting the same, any and all information, whether confidential or not, in its possession regarding the charged lands or the within mortgage loan including, without limitation, details of the mortgage loan balance, the terms of this mortgage loan, defaults hereunder (existing or prior) and like matters.
- (b) The Chargor hereby confirms and agrees that the release and disclosure of any such information by the Chargee constitutes the release and disclosure of such information with the full knowledge and consent of the Chargor within the meaning of the Personal Information Protection and Electronic Documentation Act (Canada), as amended.
- (c) The Chargor hereby releases the Chargee from any and all liabilities, damages, suits, actions, claims, monies and costs arising from (i) the release and disclosure of any such information by the Chargee, and (ii) any breach of the provisions of any applicable laws, including the Personal Information Protection and Electronic Documentation Act

(Canada), as amended, provided that the Chargee has acted in accordance with the consent and direction received from the Chargor.

COSTS

The Chargor covenants and agrees to pay all property tax, utility rates, charges and insurance premiums as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Chargor to comply with this covenant shall constitute an event of default hereunder and at law including the right to accelerate the principal sum secured under this Charge, together with all accrued interest thereon, plus costs.

In addition, at the Chargee's sole and absolute discretion, the Chargor agrees that the Chargee may satisfy any charge, lien, any matter raised in the previous paragraph or other encumbrances now or hereafter existing or to arise or to be claimed upon the charged lands and the amount so paid together with all costs associated therewith shall be a charge on the lands charged herein and/or collateral property and shall bear interest at the rates of interest provided herein per annum, calculated and compounded monthly and shall be payable forthwith by the Chargor to the Chargee and in default of payment, the entire principal sum, accrued interest and costs, shall become payable at the sole and absolute discretion of the Chargee and the remedies hereby given and available at law may be exercised forthwith without notice.

DUE ON DEFAULT

In the event of default under this Charge, beyond an applicable cure period, at the option of the Chargee, the full principal balance, together with interest and costs on a substantial indemnity basis in relation thereto shall become immediately due and payable.

DEFAULT OF PRIOR OR SUBSEQUENT ENCUMBRANCES

If at any time or from time to time any default or breach of covenant occurs under any encumbrance registered against the Property and which encumbrance has priority over the Charge or which is subordinate to the Charge and which default is not cured within the grace periods permitted, it shall, at the option of the Chargee, constitute default under the Charge and the Chargee may, at its option, pay all monies and take appropriate action to cure any default or breach under any encumbrance and proceeds with its remedies on default.

MAXIMUM LOAN TO VALUE

If at any time prior to the Maturity Date of this Charge the amount outstanding pursuant to this Charge exceeds 62.91% of the "as is" value of the lands secured hereby as of the date hereof, the Chargee may refuse to advance any further amounts pursuant to this Charge and/or at the option of the Chargee, the Charge may become due and payable.

Any appraisal is to be prepared by a Bona Fide appraiser approved by the Chargee.

CREDIT MANAGEMENT

The Chargor acknowledges it is important to insulate the revenue stream from the Property in order to avoid claims by other projects, commitments or liabilities of the Chargor. If this is not possible, the Chargor agrees to provide the Chargee with a reasonable degree of revenue segregation through separate reporting. In this regard the Chargee shall monitor the financial aspects of the Property, depending upon its financial status.

The Chargor covenants and agrees to provide the Chargee with standalone property reporting isolating the Property's financial and operating information from that of other properties owned by the Chargor. The Chargor further covenants and agrees to provide the Chargee with separate financial statements for the Property. In the event of a default by the Chargor under the Charge, or if the Chargor seeks relief under the *Companies' Creditors Arrangement Act* (Canada) or

other debtor relief legislation, the Chargee shall, if possible, be entitled to establish a separate project bank account for the Property.

REMEDIATION

The Chargor covenants and agrees that prior to April 15th, 2022 it shall:

- (a) complete the remediation of the Property;
- (b) submit to the Ministry of the Environment, Conservation and Parks (the "Ministry") the completed Environmental Remediation Report and an Application for a Record of Site Conditions for the Property and all required supporting reports, tests and opinions;
- (c) provide a Reliance Letter to the Chargee from the Chargor's Environmental Engineer with respect to the report prepared by such Engineer and submitted to the Ministry;

failing which, at the option of the Chargee, this Charge may be deemed in default;

The Chargor further undertakes to respond immediately to any request or to ask their Engineer to respond immediately to any request for further information or tests with respect to the Property from the Ministry.

BLANKET MORTGAGE

The Chargor hereby acknowledges and agrees that the principal sum secured herein shall be secured by all of the lands and premises described under Properties in the Charge/Mortgage of Land to which this Schedule is attached.

For the purposes hereof each of the parcels of land designated by the Land Titles Office in which this Charge is registered, now or in the future, with an individual PIN Number shall herein be referred to as a "Parcel" and all of the Parcels of land shall be collectively referred to as the "Charged Lands".

AND THAT:

- (a) The Charge herein shall be registered against the Charged Lands;
- (b) Each of the Parcels shall be charged with the whole of the principal sum secured herein together with all interest and costs payable hereunder;
- (c) The Chargor agrees notwithstanding anything herein to the contrary, there is no right in the Charge nor shall the Chargor be entitled to require that the principal be apportioned in respect of any of the Parcels;
- (d) The Chargor hereby agrees that each Parcel shall be the principal security for the entire principal sum secured herein;

The Chargee shall in the event of default be free to realize in its sole discretion upon any Parcel or Parcels in any order without prejudice to realizing upon any other Parcels from time to time.

Any and all remedies pursued by the Chargee against any one of the Parcels shall not release, diminish, alter or exhaust the Chargee's rights against any of the other Parcels.

REASONABLENESS OF FEES AND CHARGES

The Chargor acknowledges having reviewed and had explained to it all of the possible fees and charges as set forth in this Charge which would be in addition to principal and interest due hereunder. The Chargor acknowledged and agrees that the fees and charges are reasonable and reflect a reasonable pre-estimate of Chargee's actual costs with respect to each of such charges and fees.

VALIDITY OF PROVISIONS

If any provision of this Charge is held to any extent invalid or unenforceable, the remainder of this Charge shall not be affected and shall remain valid and enforceable.

TIME OF THE ESSENCE

Time shall be of the essence in all matters relating to this Charge.

INTERPRETATION AND HEADINGS

Wherever in this Charge the singular or masculine is used, the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this Charge and have been inserted for convenience of reference only.

ELECTRONIC IMAGING

The parties hereto agree that, at any time the Chargee and/or its solicitors may convert paper records of the Security Documents and all other documentation delivered to the Chargee (each, a **"Paper Record"**) into electronic images (each, as an **"Electronic Image"**) as part of the Chargee's and/or its solicitors' 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 proceedings as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

This is **Exhibit F**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)

Properties

PIN 46267 - 0101 LT
Description LT 3500 CP PL 2 GRANTHAM; LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506-3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; PT 1 30R1484; LTS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T RO535289, RO713328;; CITY OF ST. CATHARINES
Address 142 QUEENSTON 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 2807823 ONTARIO INC.
Address for Service 624 King Street West
 Toronto, Ontario
 M5V 1M7

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

Party To(s)	Capacity	Share
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Name	FIRST SOURCE FINANCIAL MANAGEMENT INC.
Address for Service	2235 Sheppard Avenue East Suite 1202 Toronto, Ontario M2J 5B5

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, NR603718 registered on 2022/01/31 to which this notice relates is deleted
 Schedule: See Schedules

Signed By

Cheryl Lynn Moore	5000 Yonge Street, 10th Floor Toronto M2N 7E9	acting for Applicant(s)	Signed	2022 01 31
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Tel 416-222-8888
 Fax 416-218-1860

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

Cheryl Lynn Moore	5000 Yonge Street, 10th Floor Toronto M2N 7E9	acting for Party To(s)	Signed	2022 01 31
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Tel 416-222-8888
 Fax 416-218-1860

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

Submitted By

CHAITONS LLP	5000 Yonge Street, 10th Floor Toronto M2N 7E9		2022 01 31
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Tel 416-222-8888
 Fax 416-218-1860

Fees/Taxes/Payment

Statutory Registration Fee	\$66.30
Total Paid	\$66.30

File Number

Applicant Client File Number :

68782

THIS INDENTURE made on the 28th day of January, 2022.

B E T W E E N:

2807823 ONTARIO INC.

(hereinafter called the "Mortgagor")

OF THE FIRST PART

- and -

FIRST SOURCE FINANCIAL MANAGEMENT INC.

(hereinafter called the "Mortgagee")

OF THE SECOND PART

WHEREAS:

- A:** The Mortgagee is advancing to the Mortgagor the sum of up to Eight Million Seven Hundred and Fifty Thousand Dollars (\$8,750,000) upon the security of a Charge/Mortgage to be registered in the principal amount of Ten Million Five Hundred Thousand Dollars (\$10,500,000), (the "Mortgage") registered in the Land Titles Division of Niagara North (No. 30) and made by the Mortgagor in favour of the Mortgagee on the security of the lands and premises owned by the Mortgagor and more particularly described in Schedule "A" hereto, which lands and all buildings at any time thereon during the existence of the Mortgage are herein referred to as the "Mortgaged Premises";
- B:** As a condition precedent of making the aforesaid mortgage loan, the Mortgagee has required an assignment to the Mortgagee; its heirs, executors, administrators, successors and assigns, as additional security for the observance and performance by the Mortgagor of its covenants and agreements contained in the Mortgage, all rents and other monies due or accruing due or at any time hereafter to become due and payable and the Leases, as hereinafter defined, and all of the other rights of the Mortgagor under:
- (i) all present and future leases, agreements to lease and subleases of any part of the Mortgaged Premises and all tenancies, present or future licences affording any person a right to use or occupy any part of the Mortgaged Premises, in such case for the time being in effect, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements, or substitutions thereof or therefore which are now or may hereafter be affected or entered into(hereinafter collectively referred to as the "Leases");
 - (ii) all present and future (i) guarantees of any or all of obligations of any tenant (which term means any person who now or hereafter is a party to a Lease for the time being in effect and has any right of use or occupancy of all or any part of the Mortgaged Premises under a Lease) under any Lease; (ii) indemnities in respect of all or any of the obligations of any Tenant under any Leases and (iii) arrangements with a similar person for any other person to take over all or part of the balance of the term of any tenant under any Lease, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements and substitutions thereof or therefore which may hereafter be effected or entered into (hereinafter collectively referred to as the "Guarantee of Leases).

NOW THEREFORE this Indenture witnesseth that in consideration of the premises and the sum of TWO (\$ 2.00) DOLLARS now paid by the Mortgagee to the Mortgagor (the receipt and sufficiency whereof is hereby acknowledged):

1. Subject to paragraph 2 hereof, the Mortgagor hereby assigns, transfers and sets over unto

the Mortgagee, its heirs, executors, administrators, successors and assigns, (a) The Leases and Guarantees of Leases; and (b) all rents and other monies now due or accruing due or at any time hereafter to become due and payable under each and every Lease and Guarantee of Leases, all other obligations of the other parties thereto with respect to the Mortgaged Premises and all benefits, advantages and powers to be derived therefrom; with full power and authority in each case to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder; to have and to hold unto the Mortgagee until all moneys owing and all obligations of the Mortgagor in respect of the Mortgage have been fully paid and fulfilled and after the Mortgage has been fully released and discharged this Agreement shall be void and of no further effect.

2. It is the intention of the parties hereto that this instrument shall be a present assignment provided that the Mortgagee shall not exercise any rights or remedies herein given to it until the Mortgagor is in default under any of the terms and provisions of the Mortgage or of this assignment. Until such default, the Mortgagor shall be permitted to collect, take, retain and use or permit the collection, taking, retention and use of the rents and revenues from the Mortgaged Premises. Default under this Indenture shall constitute default under the Mortgage.
3.
 - (a) At any time, whether or not the Mortgagor is in default hereunder and whether or not the Mortgagee has determined to enforce the security hereof, upon request by the Mortgagee, the Mortgagor will promptly deliver, to the extent that the same have not been previously delivered, to the Mortgagee a copy of any or all of the Leases and any Guarantees of Leases;
 - (b) The Mortgagor covenants and agrees that all the obligations of the Lessor or Licensor under each of the Leases will be observed and performed except to the extent that such observance or performance may be waived by the obligees;
 - (c) The Mortgagor covenants and agrees that it will, from time to time, on request by the Mortgagee, execute or join in the execution of and deliver to the Mortgagee any one or more of the following which shall be subject to this Indenture:
 - (i) A Specific Assignment of all of the rights, title and interest of the Mortgagor as Lessor or Licensor in, to, under, or in respect of all rents and other moneys now due and payable under any one or more of the Leases and any Guarantees of Leases;
 - (ii) A Specific Assignment of all the right, title and interest of the Mortgagor, as Lessor or Licensor in, to, under or in respect of any of the Leases, all rent or other moneys now due and payable or hereafter to become due and payable thereunder, all other obligations of the other parties thereunder and all the benefits, advantages and powers to be derived therefrom and each and every Guarantee of Lease, with full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder and otherwise to enforce the rights of the Mortgagor thereunder in the name of the Mortgagor;
4. Whenever the Mortgagor has been in default under any of the terms or provisions of the Mortgage, the Mortgagee shall be entitled to enter into possession of the Mortgaged Premises and collect the rents and revenues thereof, distrain in the name of the Mortgagor for the same and appoint its agents to manage the Mortgaged Premises and pay such agents reasonable charges for their services and charge the same to the account of the Mortgagor; and that any agents so appointed by the Mortgagee shall have the authority and power:
 - (a) to the extent that the Mortgagor has the authority to do so under the terms of the Lease, make any Lease or Leases of the Mortgaged Premises or of any part thereof at such rent and on such terms as the Mortgagee in its discretion may consider proper and to cancel or surrender existing Leases, to alter or amend the terms of

existing Leases, to renew existing Leases, or to make concessions to Tenants as the Mortgagee in its discretion may consider proper;

- (b) to manage generally the Mortgaged Premises to the same extent as the Mortgagor could do; and
 - (i) to collect the rents and revenues and give good and sufficient receipts and discharges therefore, and in their discretion, distrain in the name of the Mortgagor for such rents and revenues;
 - (ii) to pay all insurance premiums, taxes, necessary repairs, renovations and upkeep, carrying charges, rent or lease commissions, salary of any janitor or caretaker, cost of heating, and any and all payments due on the Mortgage to the Mortgagee;
 - (iii) to accumulate the rents and revenues in such agent's hands in a reasonable amount to make provision for maturing payments of interest and principal on the Mortgage, and for the payments of taxes, insurance, heating, repairs, renovations and upkeep, costs and expenses of collection of rents and revenues, and other expenses or carrying charges connected with the Mortgaged Premises.
- 5. Where any discretionary powers hereunder are vested in the Mortgagee or its agents, the same may be exercised by any officer, investment manager or manager of the Mortgagee or its appointed agents, as the case may be.
- 6. Any entry upon the Mortgaged Premises under the terms of this Indenture shall not constitute the Mortgagee a "Mortgagee in Possession" in contemplation of law and the Mortgagee shall not become liable to account to the Mortgagor or credit the Mortgagor with any moneys on account of the Mortgage except those which shall come into its hands or into the hands of any agents appointed by it pursuant hereto; the Mortgagee shall not be liable for failure to collect rents or revenues and shall be under no obligation to take any action or proceeding or exercise any remedy for the collection or recovery of the said rents and revenues, or any part thereof, and then, subject to all deductions and payments made out of the rents and revenues received from the Mortgaged Premises as herein provided.
- 7. That whenever any and all default under the Mortgage has been cured, and all taxes and insurance on the Mortgaged Premises have been paid to date, and all moneys which the Mortgagee or its agents may have expended or become liable for in connection with the Mortgaged Premises have been fully repaid, then the Mortgagee, within one month after demand in writing, shall redeliver possession of the Mortgaged Premises to the Mortgagor and the Mortgagor shall resume collection of the rents or revenues on the Mortgaged Premises until further default has occurred as aforesaid, and shall thereupon also be permitted to receive any remaining balance of the rents and revenues realized from the Mortgaged Premises.
- 8. That the Mortgagor warrants that it has not, and covenants that it shall not, at any time during the existence of the Mortgage, assign, pledge or hypothecate any Lease or Leases now or hereafter existing in respect of the Mortgaged Premises or the rents and revenues due or to become due thereunder, or any part thereof, other than to the Mortgagee; and the Mortgagor shall not, at any time during the existence of the Mortgage, commit, either by act or omission, any breach of covenant on the part of the Lessor under any of the Leases to be observed and performed, terminate, accept a surrender of, or amend in any manner, any Lease or Leases now or hereafter existing in respect of the Mortgaged Premises, or receive or permit the payment of any rents or revenues by anticipation in respect thereof, except as provided in the Leases, without the consent in writing of the Mortgagee, which consent shall not be arbitrarily or unreasonably withheld.
- 9. That this assignment is taken by way of additional security only and neither the taking of this assignment nor anything done in pursuance hereof shall make the Mortgagee liable in

any way, as landlord or otherwise, for the performance or any covenants, obligations or liabilities under the Leases or any of them.

10. The Mortgagor waives any rights of set-off against the Lessees.
11. The Mortgagor covenants and agrees with the Mortgagee:
 - (a) that it will not transfer or convey the fee title to the said premises to any of the Lessees without requiring such Lessees, in writing, to assume and agree to pay the debt secured hereby in accordance with the terms, covenants, and conditions of the mortgage hereinbefore described;
 - (b) that if the Leases provide for the abatement of rent during the repair of the demised premises by reason of fire or other casualty, the Mortgagor shall furnish rental insurance to the Mortgagee, the policies to be in an amount and form and written by such insurance companies as shall be satisfactory to the Mortgagee;
 - (c) not to terminate, modify or amend said Leases or any of the terms thereof, or grant any concessions in connection therewith, either orally or in writing, or to accept a surrender thereof without the written consent of the Mortgagee and that any attempted termination, modification or amendments of said Leases without such written consent shall be null and void;
 - (d) not to collect any of the rent, income and profits arising or accruing under said Leases in advance of the time when the same become due under the terms thereof, but in any event without the written consent of the Mortgagee, not more than thirty (30) days in advance;
 - (e) not to discount any future accruing rents;
 - (f) not to execute any other assignments of said Leases or any interest therein or any of the rents thereunder;
 - (g) to perform all of the Mortgagor's covenants and agreements as Lessor under the said Leases and not to suffer or permit to occur any release of liability of the Lessees, or any rights to the Lessees to withhold payment of rent; and to give prompt notices to the Mortgagee of any notice of default on the part of the Mortgagor with respect to the said Leases received from the Lessees thereunder, and to furnish the Mortgagee with complete copies of the said notices;
 - (h) that all offers to lease and Leases shall be bona fide, the terms of which are to be approved by the Mortgagee prior to execution, and shall be at rental rates and terms consistent with comparable space in the area of the lands and premises described herein;
 - (i) if so requested by the Mortgagee, to enforce the said Leases and all remedies available to the Mortgagor against the Lessees, in case of default under the said Leases by the Lessee;
 - (j) that none of the rights or remedies of the Mortgagee under the mortgage shall be delayed or in any way prejudiced by this assignment
 - (k) that notwithstanding any variation of the terms of the mortgage or any extension of time for payment thereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof;
 - (l) not to alter, modify or change the terms of any guarantees of any of the said Leases or cancel or terminate such guarantees without the prior written consent of the Mortgagee;
 - (m) not to consent to any assignment of the said Leases, or any subletting thereunder,

whether or not in accordance with their terms, without the prior written consent of the Mortgagee;

- (n) not to request, consent to, agree to or accept subordination of the said Leases to any mortgage or other encumbrance now or hereafter affecting the premises;
 - (o) not to exercise any right of election, whether specifically set forth in any such Leases or otherwise which would in any way diminish the tenant's liability or have the effect of shortening the stated term of the Lease; and
 - (p) to pay the costs, charges and expenses of and incidental to the taking, preparation and filing of this Agreement or any notice hereof which may be required and of every renewal related thereto.
12. Upon any vesting of title to the properties secured under the Mortgage in the Mortgagee or other party by Court Order, operation of law, or otherwise and upon delivery of a deed or deeds pursuant to the Mortgagee's exercise of remedies under the Mortgage, all right, title and interest of the Mortgagor in and to the Leases shall by virtue of this instrument, thereupon vest in and become the absolute property of the party vested with such title or the grantee or grantees in such deed or deeds without any further act or assignment by the Mortgagor. The Mortgagor hereby irrevocably appoints the Mortgagee and its successors and assigns, as its agent and attorney in fact, to execute all instruments of assignment or further assurances in favour of such party vested with title or the grantee or grantees
13. In the exercise of the powers herein granted to the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being hereby expressly waived and released by the Mortgagor, save for liability incurred as a result of gross negligence or wilful misconduct by the Mortgagee or any of its agents. The Mortgagee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Mortgagor shall and does hereby agree to indemnify the Mortgagee for, and to save and hold it harmless of and from, any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases save for liability, loss or damage incurred by the parties as a result of gross negligence or wilful misconduct by the Mortgagee or any of its agents. Should the Mortgagee incur any such liability, loss or damage under the Leases or under or by reason of this assignment, or in the defence of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and the Mortgagor shall reimburse the Mortgagee therefore immediately upon demand.
14. This assignment is intended to be additional to and not in substitution for or in derogation of any assignment of rents contained in the mortgage or in any other document.
15. That the rights or remedies given to the Mortgagee hereunder shall be cumulative of and not substituted for any rights or remedies to which the Mortgagee may be entitled under the Mortgage or at Law.
16. That the terms and conditions hereof shall be binding upon and enure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereof as the case may be.
17. A discharge of the Mortgage in favour of the Mortgagor as against part or all of the Mortgaged Premises shall operate as a reassignment of this Assignment of Rents as against the Mortgaged Premises so discharged.

PROVIDED that it is hereby agreed that in construing this Indenture the words "Mortgagor" or "Mortgagors" or "Mortgagee" or "Mortgagees", and "he", "she", "they" or "it", "his", "her", "their", or "its", respectively, as the number and gender of the parties referred to in

each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. And that all covenants, liabilities and obligation entered into or imposed hereunder upon the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

(Remainder of page intentionally left blank. Signature page to follow.)

DATED at Toronto, this 7th day of January, 2022.

2807823 ONTARIO INC.

DocuSigned by:
Per: Matthew Elkind
Name: Matthew Elkind
Title: President

DocuSigned by:
Per: JON JEFFREY HOWARD
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

SCHEDULE "A"

142 Queenston Street, City of St. Catharines

PIN 46267-0101 (LT)

Lot 3500 CP PL 2 Grantham; Lots 3473-3487, 3494-3499, 3501-3504 CP PL 2 Grantham, except Valleyview Rd.; Part Lot 3488, 3506-3510 CP PL 2 Grantham, Part Vine Street CP PL 2 Grantham closed by NC4350 as in RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; Part 1, 30R-1484, Lots 3490-3493 CP PL 2 except Parts 1 and 2, 30R-12073; s/t RO535289, RO713328; City of St. Catharines (the "Property")

This is **Exhibit G**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script that reads "J. Montgomery". The signature is written in black ink and is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

DocuSign Envelope ID: 4F85CD22-A11E-4089-9B86-11E6AB2C837E

ACKNOWLEDGEMENT RE. INTEREST RATE AND PRINCIPAL AMOUNT

Re: \$10,500,000 Charge (the "Charge") given by 2807823 Ontario Inc. (the "Borrower") in favour of First Source Financial Management Inc. (the "Lender") against title to the following property: 142 Queenston Street, City of St. Catharines First Mortgage PIN 46267-0101 (LT) Lot 3500 CP PL 2 Grantham; Lots 3473-3487, 3494-3499, 3501-3504 CP PL 2 Grantham, except Valleyview Rd.; Part Lot 3488, 3506-3510 CP PL 2 Grantham, Part Vine Street CP PL 2 Grantham closed by NC4350 as in RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; Part 1, 30R-1484, Lots 3490-3493 CP PL 2 except Parts 1 and 2, 30R-12073; s/t RO535289, RO713328; City of St. Catharines (the "Property") Guarantors: 8522146 Canada Inc., Rodale Construction Inc., Evoke Solutions Incorporated, Welland Real Estate Inc., Elk Capital Ltd., 2807435 Ontario Inc., Queenston Oakdale Limited, Trevor Rabie, Matthew Elkind, Stephan Katmarian, Jon Jeffrey Howard, Michael Corrado (collectively the "Guarantor")

WHEREAS First Source Mortgage Corporation has issued a commitment to 2807823 Ontario Inc. as Borrower dated the 19th day of November, 2021, as may be amended, in writing, from time to time (the "Commitment");

AND WHEREAS as security for the loan contemplated by the Commitment, the Borrower will be giving the Lender the Charge and a Promissory Note (the "Promissory Note"), which Charge will be drawn and registered in the principal amount of \$10,500,000 with interest at 18% per annum to and including May 31st, 2023 and thereafter at the greater of 18% per annum or Canadian Imperial Bank of Commerce prime commercial lending rate plus 15.55%;

AND WHEREAS the Promissory Note provides for a principal amount of \$10,500,000 together with interest at 18% per annum to and including May 31st, 2023 and thereafter at the greater of 18% per annum or Canadian Imperial Bank of Commerce prime commercial lending rate plus 15.55%;

AND WHEREAS the Borrower and Guarantor, as additional security to the Charge and/or Promissory Note, have provided to the Lender an Assignment of Rents, Assignment of Documents, Guarantee, General Security Agreement, Assignment of Insurance Interest, Hazardous Substance, Fraud and Misrepresentation Indemnity, Negative Pledge, Non-Merger Acknowledgement, Assignment of Agreements of Purchase and Sale, Acknowledgement re. Interest Reserve, Assignment and Pledge of Securities re. Interest Reserve and such other documents and security as may be required by the Lender, setting out the principal amount of the loan being \$10,500,000 (hereinafter referred to collectively as the "Security Documents");

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of other good and valuable consideration and the sum of TWO (\$2.00) DOLLARS paid by each of the parties to the other (the receipt and sufficiency of which is acknowledged) the parties hereto agree as follows:

- 1. Notwithstanding the terms set out in the Charge and Promissory Note, the Lender, Borrower and Guarantor agree that the actual principal amount, interest rate and payment provisions of both the Charge and Promissory Note, until amended in writing by the Borrower, Guarantor and Lender, shall be as follows:

Principal Amount Outstanding: \$8,750,000
Interest Rate to and including May 31st, 2023: the greater of 8.75% per annum or the rate per annum which is 6.30 percentage points above the prime commercial lending rate charged by the

Doc#5329225v1

Canadian Imperial Bank of Commerce from time to time, on loans made in Canadian funds to its most favoured commercial borrowers, which interest shall be calculated monthly, not in advance, and adjusted as to fluctuations in such prime commercial lending rate of interest from time to time, as well after as before maturity and both before and after default.

Interest Rate from and including June 1st, 2023:

the greater of 18% per annum or the rate per annum which is 15.55 percentage points above the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce from time to time, on loans made in Canadian funds to its most favoured commercial borrowers, which interest shall be calculated daily, not in advance and adjusted as to fluctuations in such prime commercial lending rate of interest from time to time, as well after as before maturity and both before and after default.

2. The Borrower and Guarantor acknowledges that as of January 7th, 2022 the prime commercial lending rate charged by the Canadian Imperial Bank of Commerce is 2.45% per annum.
3. The Borrower, Lender and Guarantor acknowledge and agree that the terms of this Acknowledgement re. Interest Rate supersedes and is paramount to any terms of the Charge and/or Promissory Note and/or Security Documents which conflict with the provisions hereof.
4. The parties hereto agree that this Agreement may be transmitted by facsimile, email or such similar device and that the reproduction of signatures by facsimile, email or such similar device will be treated as binding as if an original.
5. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be but one and the same instrument.

(Balance of page intentionally left blank. Signature page to follow)

DATED this 28th day of January, 2022.

FIRST SOURCE FINANCIAL MANAGEMENT INC.

DocuSigned by:
Per: David Mandel
David Mandel
453589277FD44CB...
President

I have the authority to bind the Corporation

DATED this 28th day of January, 2022.

2807823 ONTARIO INC

DocuSigned by:
Per: Matthew Elkind
Name: Matthew Elkind
Title: President

DocuSigned by:
Per: JON JEFFREY HOWARD
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

GUARANTORS

8522146 CANADA INC.

DocuSigned by:
Per: Trevor Rabie
Name: Trevor Rabie
Title: President

I have the authority to bind the Corporation

RODALE CONSTRUCTION INC.

DocuSigned by:
Per: Michael Katmarian
Name: Michael Katmarian
Title: President

I have the authority to bind the Corporation

EVOKE SOLUTIONS INCORPORATED

DocuSigned by:
Per: JON JEFFREY HOWARD
Name: Jon Jeffrey Howard
Title: President

I have the authority to bind the Corporation

WELLAND REAL ESTATE INC

DocuSigned by:
Per: JON JEFFREY HOWARD
Name: Jon Jeffrey Howard
Title: President

DocuSigned by:
Per: Trevor Rabie
Name: Trevor Rabie
Title: Secretary

We have the authority to bind the Corporation

ELK CAPITAL LTD

DocuSigned by:
Per: Matthew Elkind
Name: Matthew Elkind
Title: President
I have the authority to bind the Corporation

280743S ONTARIO INC

DocuSigned by:
Per: Matthew Elkind
Name: Matthew Elkind
Title: President
DocuSigned by:
Per: JON JEFFREY HOWARD
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

QUEENSTON OAKDALE LIMITED

Per: _____
Name: Michael Corrado
Title: President
I have the authority to bind the Corporation

DocuSigned by:
Shida Azari
Witness: Shida Azari
DocuSigned by:
Shida Azari
Witness: Shida Azari
DocuSigned by:
Shida Azari
Witness: Shida Azari
DocuSigned by:
Shida Azari
Witness: Shida Azari

DocuSigned by:
Trevor
DocuSigned by:
Matthew Elkind
DocuSigned by:
Stephan K. Johnson
DocuSigned by:
JON JEFFREY HOWARD
Jon Jeffrey Howard

Witness: _____

Michael Corrado

DATED this 7th day of January, 2022.

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Per: David Mandel
David Mandel
President

I have the authority to bind the Corporation

DATED this 7th day of January, 2022.

2807823 ONTARIO INC.

Per: _____
Name: Matthew Elkind
Title: President

Per: _____
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

GUARANTORS

8522146 CANADA INC.

Per: _____
Name: Trevor Rabie
Title: President

I have the authority to bind the Corporation

RODALE CONSTRUCTION INC.

Per: _____
Name: Michael Katmarian
Title: President

I have the authority to bind the Corporation

EVOKE SOLUTIONS INCORPORATED

Per: _____
Name: Jon Jeffrey Howard
Title: President

I have the authority to bind the Corporation

WELLAND REAL ESTATE INC.

Per: _____
Name: Jon Jeffrey Howard
Title: President

Per: _____
Name: Trevor Rabie
Title: Secretary

We have the authority to bind the Corporation

ELK CAPITAL LTD.

Per: _____
Name: Matthew Elkind
Title: President
I have the authority to bind the Corporation

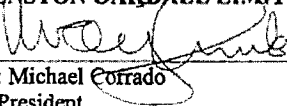
2807435 ONTARIO INC.

Per: _____
Name: Matthew Elkind
Title: President

Per: _____
Name: Jon Jeffrey Howard
Title: Vice-President

We have the authority to bind the Corporation

QUEENSTON OAKDALE LIMITED

Per: 
Name: Michael Corrado
Title: President
I have the authority to bind the Corporation

Witness: _____

Trevor Rabie

Witness: _____

Matthew Elkind

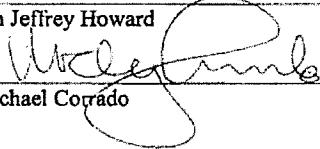
Witness: _____

Stephan Katmarian

Witness:  _____

Jon Jeffrey Howard

Witness: _____



Michael Corrado

This is **Exhibit H**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script that reads "J. Montgomery". The signature is written in black ink and is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated as of the 28th day of January, 2022.

BY:

2807823 ONTARIO INC.

(hereinafter called the “Debtor”)

OF THE FIRST PART

IN FAVOUR OF:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

(hereinafter called the “Secured Party”)

OF THE SECOND PART

IN CONSIDERATION of the Secured Party extending credit and making or agreeing to make one or more advances to the Debtor and for other good and valuable consideration, the Debtor covenants with the Secured Party as follows:

ARTICLE I
DEFINITIONS

1.01 **Definitions:** Capitalized terms used in this Agreement that are not defined in this section have the respective meanings ascribed thereto in the Act and all other capitalized terms used in this Agreement have the respective meanings ascribed thereto in this section:

- (a) the “Act” means the *Personal Property Security Act* RSO 1990, as amended or re-enacted from time to time;
- (b) “Buildings” means all structures, buildings and other improvements constructed, being constructed or to be constructed on the Lands;
- (c) “Collateral” means all Goods including, without limitation, Equipment and Inventory that is now or hereafter owned or acquired by or on behalf of the Debtor or in respect of which the Debtor now or hereafter has any rights and which is now or hereafter may become located on, affixed or attached to, placed upon, situate in or on, or which may arise out of, from or in connection with the ownership, use or disposition of, the Lands or the Buildings or any part thereof including, without limitation, all increases, additions, substitutions, repairs, renewals, replacements, Accessions, accretions and improvements to any such Goods and all Proceeds and other amounts derived directly or indirectly from any dealings with any such personal property.
- (d) “Expenses” means all costs, fees and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by or on behalf of the Secured Party in connection with or arising out of or from any one or more of the following:
 - (i) any act done or taken by the Secured Party or any Receiver, or any proceeding instituted by the Secured Party, the Debtor or any other person, firm or corporation, in connection with or in any way relating to any one or more of the Act as it relates to the Indebtedness, this Agreement or any part hereof, the preservation, protection, enforcement or realization of the Collateral or the Security Interest or both, the recovery of the Indebtedness and responding to enquiries regarding the scope of the Security Interest perfected by the registration of a Financing Statement under the Act;
 - (ii) the remuneration of the Receiver and its agents, if any; and
 - (iii) all amounts incurred or paid by or on behalf of the Secured Party pursuant to section 5.03 hereof;

- (e) “**Indebtedness**” means all present and future debts and liabilities due or to become due, absolute or contingent, direct or indirect, now existing or hereafter arising, owing by the Debtor to the Secured Party, whether pursuant to or under the Letter of, the Loan Documents or otherwise and includes any extensions, renewals or replacements thereof and includes the Expenses;
- (f) “**Lands**” means the lands and premises described in Schedule “A” annexed hereto;
- (g) “**Letter of Commitment**” means that certain commitment letter dated November 19th, 2021 and assigned to the Secured Party in favour of 2807823 Ontario Inc. as same may be amended from time to time;
- (h) “**Loan Documents**” means all agreements, instruments and other documents made or assigned by the Debtor in favour of the Secured Party in connection with the loan transaction contemplated in the Letter of Commitment, as same may be amended from time to time; and
- (i) “**Security Interest**” means the assignment, transfer, mortgage, charge and security interest provided for in section 2.01 hereof and “**security interest**” has the meaning ascribed thereto in the Act.

ARTICLE II
GRANT OF SECURITY INTEREST AND ATTACHMENT

2.01 **Security Interest**: As continuing security for the payment of the Indebtedness and the performance, fulfilment and satisfaction of all covenants, obligations and conditions on the part of the Debtor set out herein, in the Letter of Commitment and in the Loan Documents, the Debtor:

- (a) assigns, transfers, mortgages and charges to and in favour of the Secured Party all of the Debtor’s rights, title and interest in and to the Collateral; and
- (b) grants to and in favour of the Secured Party a security interest in the Collateral;

as and by way of a fixed charge.

2.02 **Attachment**: The Debtor and Secured Party confirm that they have not postponed or agreed to postpone the time for attachment of the Security Interest and that the Debtor has received Value.

ARTICLE III
REPRESENTATIONS, WARRANTIES AND COVENANTS

3.01 **Representations and Warranties**: The Debtor represents and warrants that the Collateral is owned by the Debtor with good and marketable title thereto, free and clear of any assignments, executions, mortgages, charges, hypothecations, pledges, security interests, liens, demands, adverse claims and any other encumbrances whatsoever.

3.02 **Covenants**: The Debtor covenants and agrees with the Secured Party that so long as any of the Indebtedness remains outstanding:

- (a) the Debtor will at all times maintain its corporate existence;
- (b) the Debtor shall diligently maintain and operate the Collateral and shall conduct its operations in a reasonable and prudent manner so as to maintain, preserve and protect the Collateral;
- (c) the Debtor will pay all taxes, rates, levies, government fees and dues levied, assessed or imposed in respect of the Collateral or any part thereof, as and when the same become due and payable, and shall forthwith upon request by the Secured Party deliver such evidence as may satisfy the Secured Party that such taxes, rates, levies, fees and dues have been paid;

- (d) the Debtor will at all times repair the Collateral and keep the Collateral in good order and condition and renew and replace all and any of the same which may become unrepairable or destroyed;
- (e) the Debtor will insure, at its own expense, on a replacement cost basis, all items of Collateral for which insurance coverage is purchasable, at all times during which any Indebtedness exists, with insurers and pursuant to policies approved by the Secured Party, for such risks and perils as a reasonable owner of similar Collateral would consider prudent and for such other insurable risks and perils as the Secured Party may from time to time consider advisable or desirable and in respect of which insurance coverage may be available. All cancellation clauses in such policies are to provide for at least thirty (30) days' prior notice of such cancellation to the Secured Party;
- (f) the Debtor shall deliver to the Secured Party original or certified true copies of all policies of insurance required to be maintained by the Debtor pursuant hereto and the Debtor shall, at least thirty (30) days prior to the expiry of any such insurance policy, deliver to the Secured Party a renewal receipt, binder or new policy replacing such expiring insurance policy, or otherwise satisfy the Secured Party that such insurance has been renewed;
- (g) the Debtor shall cause all proceeds payable under all policies of insurance required to be maintained by the Debtor hereunder to be made payable to the Secured Party, as its interest may appear, and shall otherwise deal with such policies in such manner so as to enable all proceeds payable thereunder to be collected by the Secured Party from the insurer. The Secured Party may elect to have such insurance money applied in the reinstatement of the relevant Collateral or towards repayment of the Indebtedness whether then due or not;
- (h) the Debtor shall not create, grant, assume or otherwise permit to exist any assignment, execution, mortgage, charge, hypothec, pledge, lien, security interest or other encumbrance upon the Collateral or any part thereof or the Debtor's interest therein that ranks or is capable of being enforced in priority to or pari passu with the Security Interest;
- (i) the Debtor will from time to time at the request of the Secured Party and at the expense of the Debtor, make and do all such acts and things and execute and deliver all such instruments, security agreements and other writings and assurances as may be necessary or desirable or recommended by counsel to the Secured Party with respect to this Agreement or the Collateral or in order to perfect, keep perfected, maintain and preserve the Security Interest;
- (j) the Debtor will pay or reimburse the Secured Party upon demand for all Expenses together with interest thereon from the date of payment by the Secured Party until paid in full to the Secured Party by the Debtor at the highest rate of interest payable under the Loan Documents, calculated and compounded monthly before and after demand, maturity, default and judgment, together with interest on overdue interest at the same rate; and
- (k) the Debtor shall not transfer, convey, sell, sublease, assign or otherwise deal with or part with possession of the Collateral or any part thereof.

ARTICLE IV
EVENTS OF DEFAULT AND REMEDIES

4.01 **Events of Default:** The Debtor shall be in default hereunder upon the occurrence of any one or more of the following events (which shall collectively be called "**Events of Default**" and individually an "**Event of Default**"):

- (a) if the Debtor is in default under or pursuant to, or otherwise fails to perform, fulfill or satisfy any covenant, obligation or condition set out in, or upon the occurrence of an event described as an "Event of Default" or a "Default" in, this Agreement, the Letter of Commitment or any of the Loan Documents; and
- (b) if the Debtor or any guarantor or covenantor of the Indebtedness or any part thereof commits an act of bankruptcy or becomes insolvent or has a receiver or receiver and manager appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced

upon the Collateral or any part thereof or if any compromise or arrangement with creditors is made by any of them.

4.02 **Remedies Upon Default:** Upon the occurrence of an Event of Default the full amount of the Indebtedness shall, at the option of the Secured Party, become due and payable whereupon the Security Interest shall immediately be enforceable by the Secured Party, and the Secured Party shall have, in addition to all other rights, powers and remedies available at law and in equity, the following rights, powers and remedies:

- (a) the Secured Party may immediately sue for the Indebtedness;
- (b) the Secured Party may appoint and reappoint by instrument in writing, or institute proceedings in any court of competent jurisdiction for the appointment or reappointment of, any person (including the Secured Party) or persons to be a receiver or receiver and manager (collectively called a "Receiver") of all or any part of the Collateral. The Secured Party may remove or replace the Receiver from time to time, and appoint another person or persons in his stead or make application to a court of competent jurisdiction to do so. Subject to the provisions of the instrument or court order appointing the Receiver, the Receiver so appointed or replaced shall have, possess and may exercise all or any part of the rights, powers and remedies of the Secured Party (whether conferred upon the Secured Party by this Agreement or otherwise). For greater certainty, where the Secured Party is referred to in this Agreement, the term shall, where the context permits, include the Receiver so appointed or replaced and the officers, employees, servants or agents of the Secured Party and the Receiver;
- (c) the Secured Party may, without notice, take such steps as it considers necessary or desirable to obtain possession of all or any part of the Collateral by any method permitted by law, and to that end the Debtor agrees:
 - (i) to deliver possession of the Collateral to the Secured Party forthwith upon its receipt of a written or verbal demand therefor, at such place or places specified by the demand; and
 - (ii) that the Secured Party may, at any time during the day or night, by any lawful means, enter upon the Lands and Buildings and upon any other premises where any of the Collateral may be found for the purpose of rendering unusable any part of the Collateral which constitutes equipment or for the purpose of taking possession of and removing the Collateral or any part thereof or both;
- (d) subject to the Act, the Secured Party may without notice, advertisement, demand for payment or any other formality (all of which are hereby waived) do any act or thing to preserve the Collateral or its value, or seize, collect, realize upon, lease, dispose of, release to third parties, sell by public or private sale or any other mode of disposition as the Secured Party may consider advisable or otherwise deal with the Collateral or any part thereof in such manner, for such consideration, upon such terms and conditions and at such time or times as may, in the absolute discretion of the Secured Party, seem to it necessary or advisable;
- (e) subject to the Act, the Secured Party may without notice, retain the Collateral or any part thereof and postpone the sale or any other disposition or dealing with the Collateral or any part thereof for such period as may, in the absolute discretion of the Secured Party, seem to it necessary or advisable;
- (f) subject to the Act, the Secured Party may without notice, elect to retain all or any part of the Collateral in satisfaction of the Indebtedness or any part thereof;
- (g) subject to the Act, the Secured Party may purchase all or any part of the Collateral at any public or private sale, auction, tender or by way of any other mode of disposition;
- (h) the Secured Party may borrow money on the security of the Collateral and create security interests in the Collateral, whether or not in priority to the Security Interest, which, in the absolute discretion of the Secured Party, may impair the Debtor's right to redeem the Collateral;
- (i) the Secured Party may carry on or concur in the carrying on of all or any part of the business of the Debtor and may enter upon, occupy and use all or any of the Buildings and buildings occupied or used by the Debtor, or in which the Collateral or any part

thereof is situate for such time as the Secured Party sees fit, free of charge, to the exclusion of the Debtor; and

- (j) the Secured Party may pay any indebtedness of the Debtor, post any security or otherwise deal with any other creditors of the Debtor in order to obtain the discharge of any mortgage, charge, hypothecation, pledge, security interest, lien, claim or other encumbrance that may exist against the Collateral or any part thereof.

4.03 **Receiver as Agent:** The Receiver shall be the agent of the Debtor for all purposes except possession of the Collateral only, which possession shall be on behalf of and as agent of the Secured Party and not the Debtor.

4.04 **Risk of Loss:** Where all or any part of the Collateral is in the possession of the Secured Party or the Receiver the risk of loss or damage, whether caused by the negligence of the Secured Party, the Receiver or otherwise, shall be the sole responsibility and obligation of the Debtor.

ARTICLE V **GENERAL CONTRACT PROVISIONS**

5.01 **Secured Party not Liable:** Neither the Secured Party nor the Receiver shall be bound to do any one or more of the following:

- (a) give any notice;
- (b) make or do any repair, processing or preparation for disposition of the Collateral (whether commercially reasonable or not);
- (c) use reasonable care in the custody or preservation of any of the Collateral in its possession;
- (d) keep the Collateral identifiable;
- (e) proceed in a commercially reasonable manner in the collection from debtors of the Debtor;
- (f) exercise any rights, powers and remedies whatsoever including, without limitation, seize, collect, realize upon, lease, sell or otherwise dispose of, borrow money on the security of, release to third parties, obtain possession of, obtain payment for, maintain or preserve or protect, the Collateral or any part thereof or its value; and
- (g) institute proceedings for the purpose of seizing, collecting, realizing upon, disposing of or obtaining possession of or payment for, the Collateral or any part thereof or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, firm or corporation in respect of same;

nor shall the Secured Party or the Receiver be liable or accountable for doing or for failing to do any one or more of the foregoing. Notwithstanding section 4.03 hereof, the Debtor shall be liable for all actions, causes of action, proceedings, debts, demands, claims, losses, damages and other liabilities incurred or suffered by the Debtor, the Secured Party or the Receiver by reason of or on account of any act or failure to act of the Receiver.

5.02 **Application of Funds:** All amounts realized from the Collateral upon the enforcement of the Security Interest shall be applied by the Secured Party or the Receiver firstly, to the payment of Expenses, secondly, to the payment of such part of the Indebtedness as constitutes interest, and thirdly, to the payment of the balance of the Indebtedness; and any deficiency shall be and remain payable by the Debtor to the Secured Party. If any surplus remains after the payments itemized herein, such surplus shall be applied in the manner provided for in the Act. Notwithstanding the foregoing, the Secured Party reserves the right to interplead or make any appropriate application pursuant to the Trustee Act (Ontario) or any successor legislation thereto.

5.03 **Performance by Secured Party:** If the Debtor fails to perform, fulfill or satisfy any covenant, obligation or condition herein set out including, without limitation, the payment of money, the Secured Party may, in its absolute discretion, but without being bound to do so, perform any such covenant, obligation or condition capable of being performed by the Secured

Party. No such performance or payment shall relieve the Debtor from any default under this Agreement or any consequence of such default.

5.04 **Rights, Powers and Remedies:** Each right, power and remedy of the Secured Party provided for in this Agreement or available at law or in equity may be exercised separately from or in combination with, and is in addition to and not in substitution for, any other right, power and remedy of the Secured Party however created. Without limiting the generality of the foregoing, the taking of judgment or judgments by the Secured Party shall not operate as a merger or affect the right of the Secured Party to interest as provided herein.

5.05 **Waiver:** No consent or waiver, express or implied, by the Secured Party to or of any breach or default by the Debtor in the performance of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default in the performance of the Debtor's obligations hereunder. Failure on the part of the Secured Party to complain of any act or failure to act of the Debtor or to declare the Debtor in default, irrespective of how long such failure continues, shall not constitute a waiver by the Secured Party of its rights hereunder.

5.06 **Dealings with Persons:** The Secured Party may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Collateral, the Debtor, debtors of the Debtor, guarantors, sureties and others, as the Secured Party may see fit, without prejudice to the Secured Party's rights, powers and remedies whatsoever.

5.07 **Notices:** Any notice or demand which may or is required to be given pursuant to this Agreement shall be in writing and shall be sufficiently given or made if served personally or by facsimile upon the party for whom it is intended, or (except in the case of an actual or pending disruption of postal service) mailed by registered mail, in the case of the Debtor, addressed to it at any address for service provided by the Debtor to the Secured Party under any of the Loan Documents and in the case of the Secured Party, addressed to it at the address set out in Box 15 of any mortgage held by the Secured Party in connection with the Indebtedness. The date of receipt of such notice or demand, if served personally or by facsimile, shall be deemed to be the date of the delivery thereof, or if mailed as aforesaid, the fourth business day following the date of mailing. For the purposes hereof, personal service on the Debtor shall be effectively given by delivery to any officer, director or employee of the Debtor. The Secured Party or the Debtor may, from time to time, change its address or stipulate another address from the address described in this Agreement by giving notice in the manner provided in this section.

5.08 **Successors and Assigns:** This Agreement and each of the covenants, warranties and representations herein set out shall enure to the benefit of the successors and assigns of the Secured Party and be binding upon the successors and permitted assigns of the Debtor.

5.09 **Survival:** All covenants, undertakings, agreements, representations and warranties made by the Debtor in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the Indebtedness is paid in full. All representations and warranties made by the Debtor herein shall be deemed to have been relied upon by the Secured Party.

5.10 **Entire Agreement:** This Agreement constitutes the entire agreement between the Debtor and the Secured Party relating to the Security Interest and may not be amended in any manner except by written instrument signed by both of them.

5.11 **Applicable Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

5.12 **Time of the Essence:** Time is and shall continue to be of the essence of this Agreement.

5.13 **Headings:** The insertion of headings in this Agreement is for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

5.14 **Number and Gender:** All nouns and personal pronouns relating thereto shall be read and construed as the number and gender may require and the verb shall be read and construed as agreeing with the noun and pronoun.

(Balance of page left blank. Signature page to follow.)

5.15 **Acknowledgement:** The Debtor acknowledges receipt of a duplicate executed copy of this Agreement.

2807823 ONTARIO INC.

DocuSigned by:
Per: Matthew Elkind
Name: ~~Matthew Elkind~~ MATTHEW-ETKIND
Title: President

I have the authority to bind the Corporation

SCHEDULE "A"

DESCRIPTION OF LANDS


142 Queenston Street, City of St. Catharines

PIN 46267-0101 (LT)

Lot 3500 CP PL 2 Grantham; Lots 3473-3487, 3494-3499, 3501-3504 CP PL 2 Grantham, except Valleyview Rd.; Part Lot 3488, 3506-3510 CP PL 2 Grantham, Part Vine Street CP PL 2 Grantham closed by NC4350 as in RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; Part 1, 30R-1484, Lots 3490-3493 CP PL 2 except Parts 1 and 2, 30R-12073; s/t RO535289, RO713328; City of St. Catharines (the "Property")

This is **Exhibit I**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023



A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)



- Web Page ID: **WEnqResult**
- System Date: **17OCT2023**
- Last Modified: April 02, 2023

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	2807823 ONTARIO INC.								
File Currency	16OCT 2023								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	780049332	1	1	1	2	31JAN 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		
780049332		001	2		20220131 1448 1590 5897	P PPSA	7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2807823 ONTARIO INC.								
	Address				City	Province	Postal Code		
	624 KING STREET WEST				TORONTO	ON	M5V 1M7		
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								
	FIRST SOURCE FINANCIAL MANAGEMENT INC.								
	Address				City	Province	Postal Code		
	2235 SHEPPARD AVENUE EAST, SUITE 1202				TORONTO	ON	M2J 5B5		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X				
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	PROPERTY USED IN CONNECTION WITH OR SITUATE AT OR ARISING FROM THE OWNERSHIP, DEVELOPMENT, USE AND DISPOSITION OF THE PROPERTY KNOWN AS								
	142 QUEENSTON STREET, CITY OF ST. CATHARINES AND THE PROCEEDS								
Registering Agent	Registering Agent								
	CHAITONS LLP - BARRY ROTENBERG								
	Address				City	Province	Postal Code		
	5000 YONGE STREET, 10TH FLOOR				TORONTO	ON	M2N 7E9		
Type of Search	Business Debtor								
Search Conducted On	2807823 ONTARIO INC.								
File Currency	16OCT 2023								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	780049332	1	1	2	2	31JAN 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		
780049332		002	2		20220131 1448 1590 5897				

Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City	Province	Postal Code			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number				
	Address				City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant									
	Address				City	Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
	THEREOF.									
Registering Agent	Registering Agent									
	Address				City	Province	Postal Code			

LAST PAGE

Note: All pages have been returned.

This is **Exhibit J**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)

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

TO: 2807823 ONTARIO INC.
 AND TO: 8522146 CANADA INC.
 AND TO: RODALE CONSTRUCTION INC.
 AND TO: EVOKE SOLUTIONS INCORPORATED
 AND TO: WELLAND REAL ESTATE INC.
 AND TO: ELK CAPITAL LTD.
 AND TO: 2807435 ONTARIO INC.
 AND TO: QUEENSTON OAKDALE LIMITED
 AND TO: TREVOR RABIE
 AND TO: MATTHEW ELKIND
 AND TO: STEPHAN KATMARIAN
 AND TO: JON JEFFREY HOWARD
 AND TO: MICHAEL CORRADO

TAKE NOTICE THAT:

1. FIRST SOURCE FINANCIAL MANAGEMENT INC., the secured creditor, intends to enforce its security on the property described below:

142 Queenston Street, St. Catharines

PIN 46267-0101 (LT)

Lot 3500 CP PL 2 Grantham; Lots 3473-3487, 3494-3499, 3501-3504 CP PL 2 Grantham, except Valleyview Rd.; Part Lot 3488, 3506-3510 CP PL 2 Grantham, Part Vine Street CP PL 2 Grantham closed by NC4350 as in RO12400, RO16696, RO30189, RO10700, RO11444, RO321759, SCE18090; Part 1, 30R-1484, Lots 3490-3493 CP PL 2 except Parts 1 and 2, 30R-12073; s/t RO535289, RO713328; City of St. Catharines

2. The security that is to be enforced is in the form of:
 - (a) A Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of Niagara North (No. 30) on January 31st, 2022 as Instrument No. NR603718 with respect to 142 Queenston Street, St. Catharines.
 - (b) The total amount of the indebtedness secured by the security as at May 16th, 2023 is:

Principal Balance	\$8,750,000.00
Balance of May 1 st , 2023 Interest	\$71,134.16
Late Interest Charge for May 1 st , 2023	\$450.00
Failure to provide proof of insurance after requested (February 2022 and 2023)	\$1,800.00
Failure to provide proof of updated financials after requested (February 2023)	\$450.00
Failure to provide proof of payment of current Interim 2023 property taxes after multiple requests	\$1,800.00

Legal Fees including \$2,500 plus HST plus disbursements	\$3,325.00
Total	\$8,828,959.16

Per Diem Rate of Interest \$3,159.72

3. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of the notice, unless the debtors consent to an earlier enforcement.

DATED at Toronto, Ontario, this 16th day of May, 2023.

FIRST SOURCE FINANCIAL MANAGEMENT
INC. by its solicitors Chaitons LLP

Per: 

Barry Rotenberg

Inquires to: Barry Rotenberg
(416) 218-1133

This is **Exhibit K**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in cursive script that reads "J. Montgomery". The signature is written in black ink and is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

FORBEARANCE AGREEMENT

DATED this 5th day of September, 2023

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

("First Source")

and

2807823 ONTARIO INC.

("280")

WHEREAS on November 19, 2021, First Source entered into a commitment (the "**Commitment**") to loan 280 the principal amount of \$8,750,000, subject to the terms of a letter of commitment (the "**Loan**").

AND WHEREAS the Loan transaction closed on January 31, 2022 at which time First Source advanced \$8,750,000 to 280;

AND WHEREAS the Loan is secured by, among other things, a first mortgage (the "**Mortgage**") secured against the property municipally known as 142 Queenston Street, St. Catharines, Ontario (the "**Property**");

AND WHEREAS the Mortgage was registered in the amount of \$10,500,000 on January 31, 2022 in the Land Titles Division of Niagara North (No. 30) as Instrument No. NR603718 (the "**Charge**");

AND WHEREAS the interest rate on the Loan is as follows:

- (a) up to and including May 31, 2023, the greater of 8.75% per annum or the CIBC prime rate plus 6.3%; and
- (b) from and including June 1, 2023, the greater of 18% per annum or the CIBC prime rate plus 15.55%;

AND WHEREAS the Loan was due, in full, on June 8, 2023 but was not repaid and is in default;

AND WHEREAS 280's obligations under the Loan are guaranteed by 8522146 Canada Inc.; Rodale Construction Inc.; Evoke Solutions Incorporated; Welland Real Estate Inc.; Elk Capital Ltd.; 2807435 Ontario Inc.; Queenston Oakdale Limited; Trevor Rabie; Matthew Elkind; Stephan Katmarian; Jon Jeffrey Howard; and Michael Corrado (the "**Guarantee**");

AND WHEREAS on May 16, 2023, First Source made demand for repayment and served a notice of intention to enforce security under Section 244 of the *Bankruptcy and Insolvency Act* (the "**244 Notice**");

AND WHEREAS First Source commenced an application in the Superior Court of Justice (Commercial List) seeking the appointment of a receiver over the Property (the "**Application**"); and

AND WHEREAS First Source is prepared to forebear against, without limitation, any enforcement proceedings, claims for recovery, foreclosure, enforcement of security or any other action of proceeding arising out of or in connection with the Loan, the

Mortgage, the 244 Notice, the Guarantee, or other related document based on the terms and conditions set out herein.

NOW THEREFORE IN CONSIDERATION of these covenants and in further consideration of \$2.00 paid by each of the parties hereto to the other, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. The recitals set out herein are true and correct and the parties are entering into this agreement in reliance thereon.
2. 280 acknowledges and agrees that:
 - a. as at August 28, 2023, 280 is indebted to First Source in the total amount of **\$9,624,391.97** as particularized in the discharge statement attached at Schedule "A" (the "**Debt**"), plus interest in the per diem amount of **\$5,857.57** plus continuing legal fees;
 - b. 280 is in default of its obligations to First Source to repay the amount owing under the Loan; and
 - c. 280 has received demands for repayment as well as the 244 Notice;
3. In addition to the Debt, 280 agrees to pay First Source a forbearance fee of \$20,000 (which amount shall not form part of the obligations guaranteed under the Guarantee).
4. Subject to the terms and conditions set out herein, First Source shall forebear and refrain against taking or causing to be taken, without limitation, any enforcement proceedings, claims for recovery, foreclosure, enforcement of security or any other action of proceeding arising out of or in connection with the

Loan, the Mortgage, the Guarantee, the Application or any other related document until 5:00 p.m. EST on September 29, 2023 (the “**Forbearance Period**”).

5. During the Forbearance Period, 280 shall pay property taxes owing in relation to the Property when due.
6. 280 hereby consents to a receivership order in the form attached hereto as Schedule “B” and a judgment in the form attached hereto as Schedule “C” (together, the “**Consent Orders**”). The Consent Orders will be held in escrow by counsel to First Source until the end of the Forbearance Period, at which time it may be acted upon (together with any other enforcement steps as First Source may determine are appropriate), if the Debt, plus all further interest and reasonable legal fees, has not been repaid in full by that time. Any reasonable legal fees incurred by First Source in connection with enforcing the Consent Orders will be added to the Debt.
7. Upon repayment of the Debt, in full, plus further interest and legal fees as contemplated in this agreement, First Source shall discontinue the Application and discharge its security and release the Guarantee and 280 from any and all obligations relating to the Loan .
8. Any notices required to be delivered hereunder may be sent by email to the following addresses:
 - a) in the case of First Source: to Jeffrey Larry at jeff.larry@paliareroland.com; and

- b) In the case of 280, to William Friedman at wf@friedmans.ca.
9. This agreement shall enure to the benefit of, and shall be binding upon, the heirs, executors, personal legal representatives, beneficiaries, successors and assigns, as applicable, of the parties hereto.
10. Time shall be of the essence of this agreement.
11. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
12. This agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and may not be amended without the written consent of each of the parties hereto.
13. This agreement may be signed in counterparts and exchanged electronically.

DATED this 5th day of September, 2023

First Source Financial Management Inc.

DocuSigned by:

David Mandel

ED30E3277F0416B...

Per: David Mandel
I have authority to bind the Corporation

2807823 Ontario Inc.

DocuSigned by:

Trevor Rabie

F88FD49F7D934DD...

Per: Trevor Rabie, Secretary
I have authority to bind the Corporation

DocuSign Envelope ID: D378BD4D-55A8-43AB-9EB7-64B31F4E5943

DocuSign Envelope ID: 1F630785-43C6-4007-8D0F-64CD48071854

Schedule "A"

Discharge Statement

FIRST SOURCE
FINANCIAL MANAGEMENT INC.

Borrower
2807823 Ontario Inc.
Property
142 Queenston Street, St. Catharines, ON

Account Number	1362.21.08
Payoff Due Date	28-Aug-23
Payoff Amount	\$9,644,391.97
Principal Amount	\$8,750,000.00
Interest Rate: Higher of 8.75% or (CIBC Prime + 6.30%)	13.00%
Interest Rate as of Jun 1/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.25%
Interest Rate as of Jun 8/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.50%
Interest Rate as of Jul 13/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.75%
Interest Per Diem	\$5,857.57
<i>After 2023-08-28, please pay an additional \$5,857.57 per day. This notice expires on 2023-09-07, at which time you are instructed to contact this office for additional instructions.</i>	

Funds may be tendered any time up to 1:00 pm August 28, 2023 based on the existing statement.
If funds are tendered after 1:00 pm, August 28, 2023 please add additional per diem to NEXT business day.
Subject to adjustments to legal fees, disbursements, charges, etc.
E. & O.E.

Account Activity

Principal Balance	\$8,750,000.00
Apr 1 - 30, 2023 (May 1st Interest)	\$94,845.47
Partial Apr 1 - 30, 2023 interest paid	-\$23,711.32
May 1 - 31, 2023 (June 1st Interest)	\$95,630.79
Jun 1 - 30, 2023 (July 1st Interest)	\$166,755.89
Jul 1 - 31, 2023 (August 1st Interest)	\$171,451.46
Aug 1 - 27, 2023 (27 days interest)	\$157,912.96
3 Months Interest Bonus at 22.75%	\$497,656.25
Credit: Partial 3 Months Interest Bonus 9.75%	-\$213,281.25
Credit: 1/2 of 3 Months Interest Bonus at 13.00%	-\$142,187.50
Sched A 15) Management Cost	\$45,000.00
Sched A 4) Holding Over Fee	\$65,789.20
Credit: Sched A 4) Holding Over Fee	-\$65,789.20
Sched A 2n) Phone Calls/Emails to the borrower regarding issue with the loan (3 per charge)	\$1,350.00
Failure to provide post-dated cheque or PAD form for monthly interest (May 2023)	\$450.00
Failure to provide post-dated cheque or PAD form for monthly interest (June 2023)	\$450.00
Failure to provide post-dated cheque or PAD form for monthly interest (July 2023)	\$450.00
Failure to provide proof of insurance after requested (Feb.2022 & 2023)	\$1,800.00
Failure to provide proof of Updated Financials after requested (Feb.2023)	\$450.00
Failure to provide proof of current Interim 2022 property taxes after multiple requests	\$1,800.00
Sched A 2k) Request for Discharge Statement 3x	\$2,250.00
Forbearance Fee	\$20,000.00
Late Interest Charge	\$1,800.00
Paliare Roland LLP - Legal Fees - Inv #120338	\$3,152.70
Paliare Roland LLP - Estimated Legal Fees - Additional	\$3,955.00
Chaltons LLP - Legal Fees	\$6,411.52
Total Outstanding Amount	\$9,644,391.97

Interest Charge Summary

Interest Charges on Loan Balances (Daily balances exclude reserve balances, impound balances, late charges):

Date	Daily Balance	Days	Daily Periodic Rate	Interest Rate	Interest Charge
04/01/2023	\$8,758,278.14	18	0.03611111%	13.00%	\$56,928.81
04/19/2023	\$8,750,000.00	12	0.03611111%	13.00%	\$37,916.67
05/01/2023	\$8,844,845.47	8	0.03611111%	13.00%	\$25,551.78
05/09/2023	\$8,821,134.16	22	0.03611111%	13.00%	\$70,079.01
06/01/2023	\$8,916,764.95	7	0.0618056%	22.25%	\$38,577.39
06/08/2023	\$8,916,764.95	23	0.0625000%	22.50%	\$128,178.50

07/01/2023	\$9,083,520.83	12	0.0625000%	22.50%	\$68,126.41
07/13/2023	\$9,083,520.83	18	0.0631944%	22.75%	\$103,325.05
08/01/2023	\$9,254,972.29	27	0.0631944%	22.75%	\$157,912.96

Schedule " B"

CV-

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

THE HONOURABLE) _____, THE ___
JUSTICE) DAY OF ___, 2023
)

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2807823 ONTARIO INC.

Respondent

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

**ORDER
(RECEIVERSHIP)**

THIS APPLICATION made by the Applicant for, among other things, 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 RSM Canada Limited as receiver (in such capacities, the "Receiver") without security, over the lands and premises municipally known as: 142 Queenston Street, St. Catharines, Ontario (the "Property"), having the PIN 46267-0101 (LT) and bearing the legal description LT 3500 CP PL 2 GRANTHAM: LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506.3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN R012400, R016696, R030189, R010700, R011444, R0321759,

- 2 -

SCE18090; PT 1 30R1484; ITS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T R0535289, R0713328; CITY OF ST. CATHARINES the "Real Property"), owned by 2807823 Ontario Inc. (the "Debtor"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the consent of the parties to the relief set out herein, and on reading the consent of RSM Canada Limited 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 motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM Canada Limited hereby appointed Receiver, without security, of the Real Property and for all of the assets and undertakings of the Debtor acquired for, or used in relation to the Real Property, including all proceeds therefrom (together with the Real Property, the "Property").

RECEIVER'S POWERS

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

- 3 -

- (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 and operate the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, or cease to perform any contracts of the Debtor in respect of the Property;
- (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 in respect of the Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in respect of the Property and to exercise all remedies of the Debtor in respect of the Property in collecting such monies, including, without limitation, to enforce any security held by the Debtor in respect of the property;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor in respect of the Property;

- 4 -

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor in respect of the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- 5 -

Mortgages Act, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

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

- 6 -

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor relating to the Property, 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 Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege

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

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

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

- 8 -

such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR IN RESPECT OF THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor in respect of 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 in respect of the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

- 9 -

the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver as well as a new account for receipts and disbursements that do not relate specifically to Real Property (the "Post Receivership Accounts"). For greater certainty, all receipts in respect of the Real Property shall be deposited into the Post Receivership Accounts and all Permitted Disbursements (defined below) shall be drawn from the Post Receivership Accounts. Permitted Disbursements" shall mean realty taxes, utilities, payroll, insurance, maintenance expenses, other reasonable property-specific expenses and business expenses associated with the Property. The monies standing to the credit of such Segregated Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically

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agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or

- 12 -

other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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(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, subject to the provisions in paragraph 19, form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such

period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the

- 15 -

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.

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

GENERAL

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

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

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29. THIS COURT ORDERS counsel to the Applicant shall be permitted to act as counsel to the Receiver in these proceedings.

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 Debtor's estate with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any

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other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

CV-23-

First Source Financial Management Inc.

-and- 2807823 Ontario Inc.

Applicant

Respondent

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

**ORDER
(RECEIVERSHIP)**

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
Fax: (416) 646-4301

Jeffrey Larry (LSO#44608D)
Tel: (416) 646-4330
jeff.larry@paliaroland.com

Lawyers for the Applicant

Schedule "C"

CV-

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) _____, THE ___ DAY OF ___,
JUSTICE) 2023

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2807823 ONTARIO INC.

Respondent

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

THIS APPLICATION was heard this day at 330 University Avenue, Toronto, Ontario.

1. **THIS COURT ORDERS AND ADJUDGES** that the respondent 2807823 Ontario Inc. shall pay the Applicant the sum of \$9,644,391.97 plus, from August 29, 2023 to the date of judgment, any additional legal costs of enforcing this order on a full indemnity basis and per diem interest in the amount of \$5,857.57.

2. **THIS JUDGMENT** bears interest at the greater 18% per annum or the CIBC prime rate plus 15.55%.

CV-

First Source Financial Management Inc.

2807823 Ontario Inc.

-and-

Applicant

Respondent

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

JUDGMENT

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
Fax: (416) 646-4301

Jeffrey Larry (LSO#44608D)
Tel: (416) 646-4330
jeff.larry@paliareroland.com

Lawyers for the Applicant

This is **Exhibit L**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in black ink, appearing to read "J. Montgomery". The signature is written in a cursive style with a horizontal line underneath the name.

Commissioner for Taking Affidavits (or as may be)

From: Bill Friedman <wf@friedmans.ca>
Sent: Friday, September 29, 2023 10:13 AM
To: Jeff Larry
Cc: Douglas Montgomery; Shida Azari
Subject: RE: First Source/Queenston
Attachments: APS -142 Queenston St v2.docx.pdf

Hi Jeff

Attached is a copy of the executed agreement of purchase and sale of 142 Queenston St. Purchase Price is \$20,000,000. Cash on closing is \$13, 750,000. This amount will be sufficient to repay First Source the total amount of its indebtedness including all accrued interest. Closing Date is November 15, 2023. Based on the forgoing it would be appropriate to stay the court time to appoint receiver until November 30th, 2023.

Please confirm First Source will agree to stay enforcement of the receivership and the applicable court time until November 30, 2023.

William Friedman

Barrister & Solicitor

Martindale-Hubbell



FRIEDMANS LAW FIRM

Friedman Law Professional Corporation

150 Ferrand Drive, Suite 802

Toronto, ON M3C 3E5

wf@friedmans.ca

Tel: (416) 496-3340 ext. 199

Fax: (416) 497-3809

www.friedmans.ca

From: Bill Friedman
Sent: Wednesday, September 27, 2023 11:58 AM
To: Jeff.Larry@paliareroland.com
Cc: Douglas.Montgomery@paliareroland.com
Subject: RE: First Source/Queenston

Nov 1, 2023 as court time works.

William Friedman

Barrister & Solicitor

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150 Ferrand Drive, Suite 802
Toronto, ON M3C 3E5
wf@friedmans.ca
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Fax: (416) 497-3809
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From: Jeff.Larry@paliareroland.com <Jeff.Larry@paliareroland.com>
Sent: Wednesday, September 27, 2023 11:48 AM
To: Bill Friedman <wf@friedmans.ca>
Cc: Douglas.Montgomery@paliareroland.com
Subject: RE: First Source/Queenston

I am following up.

If I don't hear from you, I will request November 1 and submit the form to the court today

From: Jeff Larry
Sent: Tuesday, September 26, 2023 2:36 PM
To: Bill Friedman <wf@friedmans.ca>
Cc: Douglas Montgomery <Douglas.Montgomery@paliareroland.com>
Subject: First Source/Queenston

Bill

As you know, the forbearance period expires September 29, 2023.

While we are hopeful that our client will be paid out in accordance with the terms of the agreement, I intend to reserve court time to appoint the receiver (per the consent order) should payment not be made.

The court has time on November 1 and 3.

Please confirm which of these dates works and I will submit the request form and copy you.


Jeffrey Larry, LL.B, MBA
Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
t: 416.646.4330
f: 416.646.4301
c: 416.553.2789
e: jeff.larry@paliareroland.com

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This is **Exhibit M**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023

A handwritten signature in black ink, appearing to read "J. Montgomery". The signature is written in a cursive style with a large initial "J".

Commissioner for Taking Affidavits (or as may be)

From: Jeff Larry
Sent: Friday, September 29, 2023 11:54 AM
To: Bill Friedman
Cc: Douglas Montgomery; Shida Azari
Subject: RE: First Source/Queenston

Thanks Bill.

While the APS is encouraging, my client is not agreeable at this time to postponing the November 1, 2023 date.

However, if First Source (FS) gets sufficient comfort leading up to November 1, 2023 that it is likely that this transaction will close, then FS will either: (i) seek the issuance of the receivership order on November 1 with an effective date of November 16 (if FS is not paid out in full on November 15) or (ii) ask the judge on November 1 if we can return to him or her immediately after the 15th to get the order issued (if the transaction does not close).

Happy to discuss further.

Separately, can you please confirm when the deposit is received by your firm. Finally, do you know why the deposit is for only 1.25% of the purchase price?

From: Bill Friedman <wf@friedmans.ca>
Sent: Friday, September 29, 2023 10:13 AM
To: Jeff Larry <Jeff.Larry@paliareroland.com>
Cc: Douglas Montgomery <Douglas.Montgomery@paliareroland.com>; Shida Azari <SA@friedmans.ca>
Subject: RE: First Source/Queenston

Hi Jeff

Attached is a copy of the executed agreement of purchase and sale of 142 Queenston St. Purchase Price is \$20,000,000. Cash on closing is \$13,750,000. This amount will be sufficient to repay First Source the total amount of its indebtedness including all accrued interest.

Closing Date is November 15, 2023.

Based on the forgoing it would be appropriate to stay the court time to appoint receiver until November 30th, 2023.

Please confirm First Source will agree to stay enforcement of the receivership and the applicable court time until November 30, 2023.

William Friedman

Barrister & Solicitor

Martindale-Hubbell



FRIEDMANS
LAW FIRM

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wf@friedmans.ca

Tel: (416) 496-3340 ext. 199

Fax: (416) 497-3809

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Sent: Wednesday, September 27, 2023 11:58 AM

To: Jeff.Larry@paliarerland.com

Cc: Douglas.Montgomery@paliarerland.com

Subject: RE: First Source/Queenston

Nov 1, 2023 as court time works.

William Friedman

Barrister & Solicitor

Martindale-Hubbell



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Cc: Douglas.Montgomery@paliarerland.com

Subject: RE: First Source/Queenston

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Subject: First Source/Queenston

Bill

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The court has time on November 1 and 3.

Please confirm which of these dates works and I will submit the request form and copy you.

Jeffrey Larry, LL.B, MBA

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This is **Exhibit N**

referred to in the Affidavit of Steven Walters,
affirmed remotely before me this day of October 20, 2023



A handwritten signature in cursive script, appearing to read "J. Montgomery".

Commissioner for Taking Affidavits (or as may be)

Discharge Statement

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Borrower

2807823 Ontario Inc.

Property

142 Queenston Street, St. Catharines, ON

Account Number	1362.21.08
Payoff Due Date	18-Oct-23
Payoff Amount	\$9,952,430.99
Principal Amount	\$8,750,000.00
Interest Rate: Higher of 8.75% or (CIBC Prime + 6.30%)	13.00%
Interest Rate as of Jun 1/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.25%
Interest Rate as of Jun 8/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.50%
Interest Rate as of Jul 13/23: Higher of 18.00% or (CIBC Prime + 15.55%)	22.75%
Interest Per Diem	\$5,857.57

After 2023-10-18, please pay an additional \$5,857.57 per day. This notice expires on 2023-10-30, at which time you are instructed to contact this office for additional instructions.

Funds may be tendered any time up to 1:00 pm October 18, 2023 based on the existing statement.

If funds are tendered after 1:00 pm, October 18, 2023 please add additional per diem to NEXT business day.

Subject to adjustments to legal fees, disbursements, charges, etc.

E. & O.E.

Account Activity

Principal Balance	\$8,750,000.00
Apr 1 - 30, 2023 (May 1st Interest)	\$94,845.47
Partial Apr 1 - 30, 2023 Interest Paid	-\$23,711.32
May 1 - 31, 2023 (June 1st Interest)	\$95,630.79
Jun 1 - 30, 2023 (July 1st Interest)	\$166,755.89
Jul 1 - 31, 2023 (August 1st Interest)	\$171,451.46
Aug 1 - 31, 2023 (September 1st Interest)	\$175,458.85
Sep 1 - 30, 2023 (October 1st Interest)	\$175,458.85
Oct 1 - 17, 2023 (17 Days Interest)	\$99,426.68
3 Months Interest Bonus at 22.75%	\$497,656.25
Credit: Partial 3 Months Interest Bonus 9.75%	-\$213,281.25
Credit: 1/2 of 3 Months Interest Bonus at 13.00%	-\$142,187.50
Sched A 15) Management Cost	\$45,000.00
Sched A 4) Holding Over Fee	\$65,789.20
Credit: Sched A 4) Holding Over Fee	-\$65,789.20
Sched A 2n) Phone Calls/Emails to the borrower regarding issue with the loan (3 per charge)	\$1,350.00
Failure to provide post-dated cheque or PAD form for monthly interest (May 2023)	\$450.00
Failure to provide post-dated cheque or PAD form for monthly interest (June 2023)	\$450.00
Failure to provide post-dated cheque or PAD form for monthly interest (July 2023)	\$450.00
Failure to provide proof of insurance after requested (Feb.2022 & 2023)	\$1,800.00
Failure to provide proof of Updated Financials after requested (Feb.2023)	\$450.00
Failure to provide proof of current Interim 2022 property taxes after multiple requests	\$1,800.00
Sched A 2k) Request for Discharge Statement 3x	\$2,250.00
Forbearance Fee	\$20,000.00
Late Interest Charge	\$1,800.00
HST Admin Fee	\$215.30
Paliare Roland LLP - Legal Fees - Inv #120338	\$3,152.70
Paliare Roland LLP - Estimated Legal Fees - Additional	\$19,347.30
Chaitons LLP - Legal Fees	\$6,411.52
Total Outstanding Amount	\$9,952,430.99

Interest Charge Summary

Interest Charges on Loan Balances (Daily balances exclude reserve balances, impound balances, late charges):

Date	Daily Balance	Days	Daily Periodic Rate	Interest Rate	Interest Charge
04/01/2023	\$8,758,278.14	18	0.0361111%	13.00%	\$56,928.81
04/19/2023	\$8,750,000.00	12	0.0361111%	13.00%	\$37,916.67
05/01/2023	\$8,844,845.47	8	0.0361111%	13.00%	\$25,551.78
05/09/2023	\$8,821,134.16	22	0.0361111%	13.00%	\$70,079.01

06/01/2023	\$8,916,764.95	7	0.0618056%	22.25%	\$38,577.39
06/08/2023	\$8,916,764.95	23	0.0625000%	22.50%	\$128,178.50
07/01/2023	\$9,083,520.83	12	0.0625000%	22.50%	\$68,126.41
07/13/2023	\$9,083,520.83	18	0.0631944%	22.75%	\$103,325.05
08/01/2023	\$9,254,972.29	27	0.0631944%	22.75%	\$157,912.96
08/28/2023	\$9,254,972.29	3	0.0631944%	22.75%	\$17,545.88
09/01/2023	\$9,254,972.29	30	0.0631944%	22.75%	\$175,458.85
10/01/2023	\$9,254,972.29	17	0.0631944%	22.75%	\$99,426.68

First Source Financial Management Inc.
Applicant

-and- 2807823 Ontario Inc.
Respondent

Court File No CV-23-00705617-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO**

AFFIDAVIT OF STEVEN WALTERS

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
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Jeffrey Larry (LSO# 44608D)
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jeff.larry@paliareroland.com

Douglas Montgomery (LSO# 78082M)
Tel: 416.646.6313
douglas.montgomery@paliareroland.com

Lawyers for the Applicant

Tab 3

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

2807823 ONTARIO INC.

Respondent

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

CONSENT

RSM Canada Limited hereby consents to act as Receiver of the property municipally known as 142 Queenston Street, in the city the St. Catherines, Ontario, having the legal description PIN 46267-0101 (LT); LT 3500 CP PL 2 GRANTHAM: LT 3473-3487, 3494-3499, 3501-3504 CP PL 2 GRANTHAM EXCEPT VALLEYVIEW RD; PT LT 3488, 3506.3510 CP PL 2 GRANTHAM; PT VINE ST CP PL 2 GRANTHAM CLOSED BY NC4350 AS IN R012400, R016696, R030189, R010700, R011444, R0321759, SCE18090; PT 1 30R1484; ITS 3490-3493 CP2 EXCEPT PTS 1 & 2 30R12073; S/T R0535289, R0713328; CITY OF ST. CATHARINES

October 17, 2023

RSM Canada Limited



Per: Bryan A. Tannenbaum, President
I have the authority to bind the corporation

First Source Financial Management Inc.
Applicant

-and- 2807823 Ontario Inc.
Respondent

Court File No CV-23-00705617-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
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CONSENT OF RECEIVER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

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First Source Financial Management Inc.
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-and- 2807823 Ontario Inc.
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Court File No CV-23-00705617-00CL

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APPLICATION RECORD

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