

together with interest accruing from the date of demand (the “**2506699 Guarantee**”).

28. Copies of the Blue Mountain Guarantee, the Tara Foods Guarantee, and the 2506699 Guarantee are attached as **Exhibit “O”**.
29. 2506699 is the registered owner of the property municipally known as 1151 Highway 141, Parry Sound, Ontario (the “**Parry Sound Property**”). In support of the 2506699 Guarantee, 2506699 granted to the Bank a charge in the principal amount of \$600,000 registered on title to the Parry Sound Property.
30. Tara Foods is the registered owner of the property municipally known as 1346 Lake Joseph Road, Seguin, Ontario (the “**Seguin Property**”). In support of the Tara Foods Guarantee, Tara Foods granted to the Bank a charge in the principal amount of \$600,000 registered on title to the Seguin Property.
31. The Bank does not hold any security from Blue Mountain.

Personal Guarantors

32. Kelly delivered to the Bank the following personal guarantees of the Debtors’ indebtedness and obligations to the Bank (collectively, the “**Kelly Guarantees**”):
 - (a) a written unlimited guarantee dated April 4, 2013 of the indebtedness and obligations of RSV to the Bank; and
 - (b) a written unlimited guarantee dated August 2, 2017 of the indebtedness and obligations of the Black Angus Companies, on a joint and several basis, to the Bank.
33. Copies of the Kelly Guarantees are attached as **Exhibit “P”**.

34. Anderson, Kelly's spouse, delivered to the Bank the following personal guarantees of the Debtors' indebtedness and obligations to the Bank (collectively, the "**Anderson Guarantees**"):
- (a) a written unlimited guarantee dated August 28, 2017 of the indebtedness and obligations of RSV to the Bank; and
 - (b) a written unlimited guarantee dated August 31, 2018 of the indebtedness and obligations of the Black Angus Companies, on a joint and several basis, to the Bank.
35. Copies of the Anderson Guarantees are attached as **Exhibit "Q"**.
36. Kelly, Anderson, the Black Angus Companies, the Additional Corporate Guarantors and SD Enterprises are collectively referred to herein as the "**Guarantors**".

Initial Demand Letters and Forbearance Agreement

37. In August of 2018, as a result of certain defaults committed by the Debtors, including but not limited to outstanding reporting obligations, the Debtors and the Bank discussed entering into a forbearance agreement that would include, as a condition thereto, the appointment of RSM as the Bank's consultant (the "**Consultant**") to perform a review of the Debtors' operations. The Bank presented a forbearance agreement to the Debtors on August 17, 2018, a condition of which was the appointment of the Consultant, and included a sign-back date of August 24, 2018.
38. On August 28, 2018, as a result of the forbearance agreement not having been signed by the Debtors by the sign-back date, the Bank demanded repayment of the Debtors' indebtedness to the Bank.

39. On August 31, 2018, the Bank and the Debtors entered into a forbearance agreement dated as of the same date (as amended from time to time, the “**Forbearance Agreement**”), whereby the Debtors agreed to fully and permanently repay their obligations to the Bank on or before November 30, 2018. RSM was appointed as the Consultant in conjunction with the Forbearance Agreement, a copy of which is attached as **Exhibit “R”**.
40. The Forbearance Agreement contained certain milestones for satisfying outstanding reporting obligations and for the delivery of commitment letters and similar documents evidencing a refinancing transaction.

Repeated Accommodations and Extensions to Forbearance Agreement

41. The Debtors defaulted under the terms of the Forbearance Agreement. Defaults included, but were not limited to, failing to co-operate fully with the Consultant, failing to provide the outstanding information, and causing repeated unauthorized overdrafts in their accounts with the Bank. The Bank chronicled all such defaults in a comprehensive letter to the Debtors dated October 4, 2018 (the “**October 2018 Letter**”), citing its concerns and requiring the Debtors to co-operate with the Bank and the Consultant. A copy of the October 2018 Letter is attached as **Exhibit “S”**.
42. At the Debtors’ request, the Bank has repeatedly amended the Forbearance Agreement in order to extend the repayment deadline under the Forbearance Agreement first to December 31, 2018, subsequently to February 28, 2019, and finally to April 30, 2019. Each such extension was expressly granted by the Bank pursuant to assurances by the Debtors that their indebtedness to the Bank would be fully repaid prior to the specified deadlines.

43. Since April 30, 2019, there has been no forbearance in place. On May 15, 2019, the Bank again chronicled the numerous continuing defaults by the Debtors in a detailed letter addressed to the Debtors' counsel (the "**May 2019 Letter**"), and required immediate repayment in full of the Debtors' indebtedness to the Bank. A copy of the May 2019 Letter is attached as **Exhibit "T"**.
44. During the term of the Forbearance Agreement, the Debtors delivered to the Bank several letters of interest from alternate financiers in respect of a refinancing transaction with the potential to repay the Debtors' indebtedness to the Bank in full. However, no such letters of interest materialized into a signed, binding commitment letter.

Refreshed Demands; Enforcement of Security

45. On June 21, 2019, the Bank re-issued demands to the Debtors and the Guarantors (collectively, the "**Refreshed Demand Letters**"), requiring repayment in full of the Debtors' indebtedness to the Bank, and concurrently delivered Notices of Intention to Enforce Security pursuant to Section 244 of the BIA (collectively, the "**Refreshed BIA Notices**"). Copies of the Refreshed Demand Letters and the Refreshed BIA Notices are attached as **Exhibit "U"**.
46. Upon expiry of the notice period under the Refreshed BIA Notices, on July 8, 2019, the Bank initiated power of sale proceedings against the MacTier Property, the Parry Sound Property and the Seguin Property by issuing Notices of Sale Under Mortgage (collectively, the "**Power of Sale Notices**") to each of SD Enterprises, 2506699 and Tara Foods. The deadline for repayment under the Power of Sale Notices expired on August 14, 2019. Copies of the Power of Sale Notices are attached as **Exhibit "V"**.

47. The Refreshed Demand Letters, Refreshed BIA Notices and Power of Sale Notices all failed to prompt any response on the Debtors' part.
48. Since the date of the Refreshed Demand Letters, the Debtors have made minimal deposits into their accounts with the Bank, leading the Bank to suspect that the Debtors are depositing their accounts receivable, which are subject to the Bank's security, or at least a portion thereof, with another financial institution. At the same time, the Black Angus Companies have ceased making lease payments in respect of the Thornbury Property from their accounts with the Bank, thus leading the Bank to believe that the Debtors have either started making deposits with other financial institutions, or have ceased operating. Moreover, RSV has also failed to make its regularly scheduled Bank payments for the months of July, August and September.
49. The notice periods under the Refreshed BIA Notices and the Power of Sale Notices have expired and the Bank is in a position to enforce all of its rights and remedies against the Debtors and the Guarantors, including the right to seek the appointment of a receiver.
50. Pursuant to the terms of the Forbearance Agreement, the Debtors irrevocably consented to the appointment of a receiver, receiver and manager, or an agent of the Bank's choosing over the Debtors' assets, property and undertakings.
51. It is a term of the MacTier Charge that the Bank may appoint a receiver over the MacTier Property upon default by SD Enterprises, which default has occurred.

52. The Bank seeks the appointment of the Receiver over the Debtors and the MacTier Property for the purpose of protecting and ultimately realizing on the assets of the Debtors and the MacTier Property for the benefit of the Debtors' creditors.

The Debtors' Response to the Bank's Intention to Appoint a Receiver

53. Between September 4, 2019 and September 5, 2019, the Bank informed the Debtors of its concerns about alternate banking arrangements and the Bank's intention to appoint a receiver.
54. Once again, the Debtors furnished an unsigned commitment letter that could repay the Debtors' indebtedness to the Bank in full if such refinancing was to be completed. Notwithstanding that the commitment letter is dated July 11, 2019, it was only provided to the Bank on September 5, 2019, and it was not signed by the Debtors.
55. The Debtors have requested additional time to complete this particular refinancing transaction but the Bank is concerned that, like other proposed refinancing transactions presented by the Debtors to the Bank since the fall of 2018, this refinancing transaction will also not be completed.

Recent Charges Registered Against Properties without Notice to the Bank

56. The Bank has recently learned that RSV, SD Enterprises, 2506699 and Tara Foods have collectively granted a charge in the amount of \$250,000 in favour of Miltom Services Limited c/o Miller Thomson LLP, in trust ("the **MT Charge**") registered on title to the Thornbury Property, the MacTier Property, the Parry Sound Property and the Seguin Property on August 22, 2019. Copies of the charge instruments registered in favour of

Miltom Services Limited in respect of the Thornbury Property and the MacTier Property are attached as **Exhibit "W"**.

57. The MT Charge was granted and registered without any notice to the Bank, the Bank's counsel or the Consultant. It is another, and the most recent, example of the Debtors and Guarantors acting unilaterally rather than in cooperation with the Bank and the Consultant.
58. It is the Bank's view that the MT Charge constitutes a material adverse change which has the effect of diminishing any equity available to existing creditors and significantly hindering the possibility of any refinancing transaction.


Need for a Receiver

59. The Bank's need for the appointment of a receiver is apparent based on the current circumstances as set out herein and is necessary to preserve, protect and ultimately realize on the collateral for the benefit of the Debtors' creditors.
60. The inventory collateral of the Black Angus Companies consists of meat and ancillary food products which are perishable or likely to depreciate rapidly in value (the "**Perishable Collateral**"). Accordingly, the Bank requires that the Receiver have the power to dispose, sell or otherwise transfer any such Perishable Collateral at its discretion without further court order.
61. The appointment of a receiver is necessary and appropriate as a result of the following:
 - (a) the Debtors have routinely failed to adhere to their reporting requirements in strict accordance with the RSV Offer of Financing;

- (b) RSV has failed to make regular payments on the RSV Credit Facilities when due, and has caused unauthorized overdrafts to arise under the RSV Account;
 - (c) the Debtors have failed to cooperate fully with the Consultant, including granting significant mortgages upon property charged in favour of the Bank without notice to the Bank;
 - (d) the Debtors have been unable to refinance their indebtedness to the Bank;
 - (e) the Black Angus Companies appear to be diverting their accounts receivable to another financial institution;
 - (f) the notice periods under the Refreshed BIA Notices have expired;
 - (g) SD Enterprises, as guarantor, has breached the terms of the MacTier Charge;
 - (h) the need to preserve, protect and ultimately realize on the collateral subject to the Bank's security; and
 - (i) it is just and convenient to appoint a receiver.
62. The proposed Order appointing the Receiver permits the Receiver to borrow funds from the Bank for the purpose of financing the receivership proceeding. If necessary, these borrowings will be secured by Receiver's certificates to be issued by the Receiver or by the security held by the Bank upon the Debtors' assets.
63. RSM has consented to act as receiver. A copy of RSM's Consent is attached hereto as **Exhibit "X"**.

64. I swear this affidavit in support of an application by the Bank for the appointment of the Receiver on the terms set out in the draft Order contained in the Application Record, and for no other or improper purpose.

SWORN before me at the City of
Montreal, in the Province of Québec, this
9th day of September, 2019.



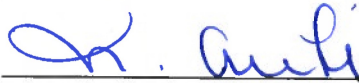
Commissioner for Taking Affidavits, etc.



CHRISTOPHER CORCORAN



This is **Exhibit "A"**, referred to in the
Affidavit of Christopher Corcoran,
sworn before me
this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.





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i Note

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

Corporation Number

691972-3

Business Number (BN)

820245413RC0001

Corporate Name

RSV INVESTMENTS INC.

Status

Active

Governing Legislation

Canada Business Corporations Act - 2008-02-08

Registered Office Address

207484 HIGHWAY 26
THORNBURY ON N0H 2P0
Canada

i Note

Active CBCA corporations are required to [update this information](#) within 15 days of any change. A [corporation key](#) is required. If you are not authorized to update this

information, you can either contact the corporation or contact [Corporations Canada](#). We will inform the corporation of its [reporting obligations](#).

Directors

Minimum 1

Maximum 10

SEAN KELLY
207484 HIGHWAY 26
THORNBURY ON N0H 2P0
Canada

i Note

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

Annual Filings

Anniversary Date (MM-DD)

02-08

Date of Last Annual Meeting

2017-11-04

Annual Filing Period (MM-DD)

02-08 to 04-08

Type of Corporation

Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings

2019 - Overdue

2018 - Filed

2017 - Filed

Corporate History

Corporate Name History

2008-02-08 to Present

RSV INVESTMENTS INC.

Certificates and Filings

Certificate of Incorporation

2008-02-08

Certificate of Amendment *

2009-06-17

Amendment details: Province or Territory of Registered Office

* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed. For more information, [contact Corporations Canada](#).

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Date Modified:

2019-05-22

This is **Exhibit "B"**, referred to in the

Affidavit of Christopher Corcoran,
sworn before me

this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.





LAURENTIAN
BANK

December 10, 2013

CONFIDENTIAL

RSV Investments Inc.
207484 Highway 26
Thornbury, Ontario
N0H 2P0

Attention: Mr. Sean Kelly

Re: Confirmation of credit facility

Dear Sir,

We are pleased to inform you that Laurentian Bank of Canada (the "**Bank**") agrees to renew your credit facilities in accordance with the terms and conditions provided herein (the "**Offer**"). These terms and conditions modify and replace the ones mentioned in the offer dated February 28, 2013. Unless specifically modified by this Offer, the terms and conditions of all agreements you have previously provided to the Bank, including all security held by the Bank, remain in full force and effect, unamended.

Please take note that all amounts are in Canadian dollars unless otherwise specified.

Lender: Laurentian Bank of Canada

Borrower: RSV Investments Inc. (the "**Borrower**")

Guarantors: Black Angus Freezer Beef (2005) Ltd.
Black Angus Fine Meats & Game Inc.
Sean Kelly (the "**Guarantors**")

10 Duke Street West
Suite 100
Kitchener Ontario N2H 3W4
Tel. 519.579.4440 Fax 519.579.2436

1. Credit Facilities: Amount and Type

Facility 2B \$1,164,000 Term loan with 165 months remaining of 172 month Amortization
 (\$340,342 period.
 yet to be
 funded)

2. Purpose of the Financing

The credit facilities must be used exclusively for the following purposes:

Facility 2B To payout previous loan 2A and finance the addition of cold storage and office space to the Thornbury building.

3. Interest rate: Applicable Rate

Facility 2B: Term Loan (variable rate): at the greater of 4.85% or the Bank's Canadian Dollar Prime Lending Rate plus 1.85% per annum with a fixed rate option*;

*As an *example only*, the fixed rates as of December 10'13 are:

(The actual rate will be determined the day of disbursement)

Term: 1 yr. 2 yrs. 3 yrs. 4 yrs.

Rates: 4.36% 4.79% 5.00% 5.27%

- 3.1 The "Canadian Dollar Prime Lending Rate" is the annual rate of interest announced from time to time by the Bank as its reference rate in effect for Canadian dollar commercial loans granted by the Bank in Canada. For information purposes only, the Bank's Canadian Dollar Prime Lending Rate is 3.00% per annum as at December 10, 2013. The variable rates specified above are automatically adjusted on the day the Bank modifies its Canadian Dollar Prime Lending Rate, without notice to the Borrower.
- 3.2 The Borrower may convert the variable rate advances under Facility 2B upon being fully advanced into fixed rate advances, either in whole or in part, for terms ranging between 1 and 4 years without exceeding the loan's maturity date, subject to the availability of funds for the Bank. The applicable fixed rates will be communicated on request and may vary depending on the terms.
- 3.3 Upon maturity of the fixed rate term, in the event that the Borrower has not negotiated a new fixed term, advances granted up until then will bear interest using the variable rate stipulated above.
- 3.4 Any advance made under the terms and conditions of the credit facilities set forth herein will bear interest both before and after demand, maturity, default and judgment and until full payment, at the relevant annual rate of interest specified above based on the actual number of days elapsed during the interest calculation period, divided by 365. The Borrower will pay accrued interest on a monthly basis, commencing one month after the disbursement. Any interest in arrears will bear interest at the same rate as that applicable to the principal to which it is related and will be payable on demand.

4. Terms and Conditions

4.1 Facility 2B – Term Loan

(a) Advances under Facility 2B to be limited to \$1,164,000;

- (b) First Draw of \$740,358.27 to payout Loan 2A and to provide \$120,000 new funds for construction.;
- (c) Remaining draws will be as required as contained in the cost consultant's report;
- (d) Each subsequent monthly draw to be a minimum of \$84,000, with up to a maximum of 5 draws. As of December 10, 2013 there are 4 draws remaining.

5. Repayment

Repayments must be made as follows:

Facility 2B: \$1,164,00 Term Loan: monthly payments of \$7,013 (principal) plus monthly interest
Remaining amortization period of 165 months for a remaining term of 59months.

5.1 Prepayment

Term Loan (fixed rate) No prepayment permitted on Facility 2B.

Term Loan (variable rate) Prepayment of Facility 2B in whole or in part is not permitted during the first two years following the final disbursement thereof. Thereafter, if no event of Default has occurred and is continuing, the Borrower may prepay the principal amount, either in whole or once per annum in part, on not less than 30 days prior written notice with payment of the following premium, whichever is greater:

- I. Interest rate differential between the coupon rate on the loan and the corresponding Government of Canada bond rate for the term remaining to maturity; or
- II. An amount equivalent to three months simple interest on the amount of principal being prepaid calculated at the rate applicable to the loan.

6. Security

By accepting this Offer, the Borrower confirms and acknowledges that the security already held by the Bank secures advances and/or facilities previously granted by the Bank as well as advances and/or Facility extended or to be extended to the Borrower by the Bank in compliance with this Offer and that all such security remains in full force and effect, unamended, except as may be set forth in this Offer.

The following security, to the extent not already held, must be held by the Bank, the whole in form and substance satisfactory to the Bank:

- 6.1 Collateral mortgage in the amount of \$1,800,000.00 on the real property located at 207484 hwy 26, Town of Blue Mountains, Ontario. No prior encumbrances.
- 6.2 Title Insurance in the amount of \$1,800,000.00 on the real property located at 207484 hwy 26, Town of Blue Mountains, Ontario.
- 6.3 General Security Agreement containing a floating charge on all present and future assets. No prior encumbrances.

- 6.4 General Assignment of Book Debts.
- 6.5 Unlimited Guarantee executed by Sean Kelly dated April 4, 2013.
- 6.6 Guarantee of \$500,000 executed by Black Angus Freezer Beef (2005) Ltd. dated Nov 4, 2009 supported by:
- General Security Agreement for Black Angus Freezer Beef (2005) Ltd. containing a floating charge on all present and future assets. Subject to prior charge in favour of Somerville National Leasing & Rentals over 2008 Ford Escape.
 - General Assignment of Book Debts.
- 6.7 Guarantee of \$500,000 executed by Black Angus Fine Meats & Game Inc. dated Nov 4, 2009 supported by:
- General Security Agreement for Black Angus Fine Meats & Game Inc. containing a floating charge on all present and future assets. Not subject to prior encumbrances.
 - General Assignment of Book Debts.
- 6.8 Postponement of Claim signed by Sean Kelly, dated Nov 4, 2009.
- 6.9 Postponement of Interest from TD Canada Trust re: 207484 hwy 26 Town of Blue Mountains, Ontario.
- 6.10 Assignment of Life Insurance on the life of Sean Kelly in the amount of \$300,000 (shared with Black Angus Freezer Beef (2005) Ltd. and Black Angus Fine Meats & Game Inc.).
- 6.11 Evidence of insurance covering fire and such other risks disclosing the Bank as first loss payee and mortgagee.
- 6.12 Promissory note in the amount of \$1,164,000

7. Representations and Covenants

Prior to disbursing any advances and for the duration of the present financing, the Borrower represents, warrants, covenants and agrees with the Bank as follows:

- 7.1 The Borrower shall provide , no later than on the 20th day of each month, a combined internal income statement and balance sheet for Black Angus Freezer Beef (2005) Ltd., Black Angus Fine Meats & Game Inc., and RSV Investments Inc. (the "Black Angus Group"), as at the previous month's end;
- 7.2 The Borrower shall provide combined financial statements of Black Angus Group on a Notice to Reader basis duly signed within 120 days of fiscal year-end;
- 7.3 The Borrower shall provide individual financial statements of Black Angus Group on a Review Engagement basis duly signed within 120 days of fiscal year-end;
- 7.4 The Borrower shall provide annually proof of payment of municipal real property taxes, along with the copies of the Borrower's annual financial statements. Upon failure to do so, at the Bank's option, the Borrower shall provide to the Bank on the 1st day of every month for as long as the Borrower is indebted to the Bank, in addition to the monthly payments of interest and principal, a monthly tax payment, the amount of which would be determined from time to time by the Bank, and which shall be

sufficient to enable the Bank to build up a tax reserve for the full payment of the municipal real property tax accounts or other taxes due on the property which is charged in favour of the Bank, and such payment shall take place on the respective due dates of the said accounts. Amounts accumulated in accordance with this paragraph are part of the Bank's security and do not earn interest to the Borrower's benefit. It is also understood that the Bank cannot be held responsible should municipal real property taxes fail to be paid on their due dates;

- 7.5 The Borrower shall provide annually, 30 days before the policies expire, a copy of the renewals and proof of payment of the premiums related to insurance policies assigned to the Bank;
- 7.6 The Borrower shall provide the duly signed personal statement affairs of Sean Kelly (next due November 2015);
- 7.7 The Borrower shall provide any other information the Bank may reasonably request from time to time;
- 7.8 The Borrower shall maintain a working capital ratio of at least 1.30:1.00, (based on quarterly and year-end combined financial statements of Black Angus Group);
- For the purposes of this Offer, the working capital ratio is equal to current assets divided by current liabilities.
- 7.9 The Borrower shall maintain a maximum debt/tangible net worth ratio of 2.25: 1.00 (based on combined quarterly statements and combined year-end financial statements); (the "tangible net worth" refers to the total of the paid-up capital stock, retained earnings and postponed debts, excluding, without limitation, (i) advances to shareholders, (ii) advances to affiliates of the Borrower (as said term is defined in the Canada Business Corporations Act), (iii) intangible assets and (iv) leasehold improvements);
- This ratio is based on the accounting policies applied to the combined financial statements of Black Angus Group for the fiscal year ending on May 31st ;
- 7.10 The Borrower shall maintain self-generated funds per fiscal year at a level sufficient to cover the current portion of the long-term debt ("self-generated funds" means the net income after tax, plus depreciation less dividends) with a minimum debt service coverage of 120% (based on quarterly and year-end combined financial statements of Black Angus Group);
- 7.11 The Borrower shall not declare nor pay dividends, with respect to any given fiscal year,
- 7.12 The Borrower shall maintain its share ownership, which is currently held as follows: Sean Kelly (100%);
- 7.13 The Borrower shall not make any loans, advances or otherwise provide any financial assistance to any of its affiliates or related parties or make any investments therein or grant them any security or enter into with any of them transactions outside the normal course of business;
- 7.14 The Borrower shall not enter into any Financial Indebtedness;
- 7.15 The Borrower shall pay punctually when due, any and all income taxes, other taxes, contributions, and deductions;
- 7.16 The Borrower is not involved in any proceedings before any civil, criminal or

administrative court or tribunal save as has been disclosed in writing to the Bank and will not be a party to or involved in any proceeding before any civil, criminal or administrative court or tribunal the outcome of which may be materially prejudicial, in the sole and absolute discretion of the Bank, to the Borrower;

- 7.17 The Borrower is not in default under any judgment, order, injunction, decree or decision of any court, office, arbitrator, commission or other similar authority save as has been disclosed in writing to the Bank and will not be in such default the outcome of which may be materially prejudicial, in the sole and absolute discretion of the Bank, to the Borrower;
- 7.18 No further authorization, consent, approval or exemption is necessary to give effect to this Offer or to the security contemplated herein;
- 7.19 The credit facilities made or to be made available to the Borrower by the Bank pursuant to this Offer are for the own use of the Borrower and are not intended to be used by or for the benefit of a third party;
- 7.20 The Borrower shall maintain, if necessary, any license required for running the Borrower's operations;
- 7.21 The Borrower shall keep sufficient insurance in force to cover any damage to the Borrower's business and property;
- 7.22 The Borrower shall maintain and renew all its rights, privileges, powers, contracts, agreements, leases, licenses, franchises, permits and authorizations required for, or used in the course of, the Borrower's operations;
- 7.23 The Borrower shall remain in good standing with laws that can substantially impact on the Borrower's operations in any applicable jurisdiction, and promptly take appropriate and adequate measures to correct any default;
- 7.24 In carrying on the Borrower's business, the Borrower shall comply in all respects with any and all environmental protection laws. Any use of the Borrower's property must be made in accordance with all applicable environmental protection laws and clean-up measures must be performed in compliance with all applicable laws, all at the Borrower's sole expense;
- 7.25 The Borrower shall immediately notify the Bank in writing of any environmentally related problem and any hazardous materials or substances that are being harmful to its property, equipment or operations, and provide the Bank with any information of environmental nature it may request;
- 7.26 The Borrower shall immediately notify the Bank in writing of any situation in which the Borrower holds property on consignment or is not the sole and absolute owner thereof;
- 7.27 The Borrower shall indemnify and hold harmless the Bank, including its directors, officers, employees, counsel, trustees, advisors and agents (each, an "Indemnified Person") against and from all losses, damages, expenses, liabilities, penalties, judgments, suits, claims and disbursements which any Indemnified Person may suffer, sustain or incur by reason of any of the transactions contemplated herein.
- 7.28 The Borrower has the requisite authority and capacity to enter into any of the agreements and covenants contemplated under the present Offer.

8. Events of Default

Without limiting the Bank's right to require, when it deems it necessary or desirable, at its sole and entire discretion, the payment of sums payable on demand, the Bank may cancel at any time any commitment it has regarding the granting of credit or advances under the credit facilities, declare due and payable any and all of the Borrower's obligations which may not then be at maturity, and enforce its security and exercise any right, remedy or recourse available to it under its documentation with the Borrower and any Guarantor, should any one or more of the following events occur:

- 8.1 The Borrower or Guarantors default in any payment of principal, interest or any other sum when due ;
- 8.2 The Borrower or Guarantors fail to perform or comply with an obligation, term or condition of this Offer or any other agreement with the Bank (including, without limitation, any security agreement) or with any other lender ;
- 8.3 The Borrower or Guarantors become insolvent or bankrupt, gives a notice of intention to make a proposal to its creditors, or makes a proposal or assignment for the benefit of its creditors, or a petition in bankruptcy is filed against the Borrower or Guarantors, or other proceedings are commenced seeking liquidation, compromise, arrangement or other relief with respect to the Borrower or Guarantors or its debts or Guarantors' debts or seeking the appointment of a receiver, trustee, administrator or other similar official regarding its or Guarantors' assets ;
- 8.4 Any property belonging to the Borrower or Guarantors is seized, unless such seizure is being disputed diligently and in good faith ;
- 8.5 Any document, certificate or other form of writing remitted to the Bank or any representation, warranty, statement or declaration made by the Borrower or Guarantors to the Bank proves to be false or misleading in any material respect ;
- 8.6 Any of the Guarantees or security documents contemplated herein ceases to be in effect ;
- 8.7 In the Bank's reasonable opinion, a significant deterioration of the Borrower's financial position or that of Guarantors occurs ;
- 8.8 The Borrower or Guarantors fail to meet its obligations towards other lenders as they generally become due or fails to pay the principal or interest on any loan.

9. Conditions Precedent to Disbursements

- 9.1 All necessary corporate actions shall have been taken by the Borrower and by the Guarantors to authorize the execution of this Offer, the security documentation, and other agreements contemplated herein, to the Bank's satisfaction;
- 9.2 All security documentation granting first ranking position to the Bank (unless otherwise herein expressly agreed to between the Bank and the Borrower) shall have been executed, delivered, served, registered and published, as applicable, to the Bank's satisfaction ;
- 9.3 As applicable, the Promissory Note, Line of credit agreement, Foreign Exchange Contract, and any other required Facility Agreement shall be executed and to the satisfaction of the Bank;
- 9.4 Disbursement to be made to the order of the lawyer in trust;

- 9.5 Copies of all the invoices and proof of payment to be provided;
- 9.6 LBC to receive a written request signed by the Borrower and the general contractor with the list of accounts paid and accounts to be paid;
- 9.7 LBC to receive from the architect in charge, a written report indicating the status and the construction costs, uncluding associated costs, as of the date of the report justifying the amount of the disbursement required and the progression and conformity of the work in progress as per plans, the schedule and the original budget and with an estimate of the future costs required to complete the project;
- 9.8 LBC to receive an affidavit and/or a solemn declaration from the general contractor confirming that all sub contractors and suppliers have been paid as per the agreements;
- 9.9 All cost overruns identified during the project are to be absorbed by the Borrower;
- 9.10 All the documents received by the Borrower for the release of funds are to be found satisfactory by LBC and its legal advisors;
- 9.11 LBC to receive from its legal advisors a written confirmation that no lien or charge was published against the property since the last verification;
- 9.12 LBC is to hold back on each advance a sum representing 10% of the amount disbursed, each hold back is to be released 45 days after the completion of the project (upon receipt of the architect's certificate confirming that that construction has been completed), as long as the Borrower is not in default;
- 9.13 The Bank reserves the right to suspend any disbursement(s) when, in its opinion, an increase in risk has occurred ;
- 9.14 The Bank shall have obtained any other consents, documents, certificates and opinions it may reasonably require from the Borrower and the Guarantors regarding its security.

10. Periodic Review

The terms and conditions applicable to the foregoing credit facilities will be reviewed annually by the Bank, on or around November 1st of each year.

11. Fees and Costs: Account Debit Authorization

- 11.1 Review fees of \$750 are payable annually and will be debited from your account.
- 11.2 An overdue reports fee of \$350 is payable by the Borrower each time the Bank is required to follow up with the Borrower for receipt of reports that are submitted after the timeframe (s) stipulated elsewhere in this Offer, including accounts receivable, inventory figures, interim financial statements and annual statements, etc.
- 11.3 The Borrower agrees to pay, on demand, all costs, fees and expenses related to the preparation, execution, registration, publication and renewal of the credit facilities and of the documentation (security documentation, agreements, or other) related to or required by this Offer, including fees and disbursements of the Bank's legal counsel and other professionals, and all fees and costs incurred in connection with the realization of the Bank's security.

- 11.4 The Borrower, as the account holder, authorizes Laurentian Bank to debit the following business account number 172-1873566-01 held at Laurentian Bank of Canada, in accordance with the conditions the Borrower agreed upon in this Offer Letter, unless otherwise notified in writing.

A debit in written, electronic, or other form, in the amount of the payment of each of the credit terms, and any periodic fee, can be withdrawn from the account of the Borrower according to the mentioned frequencies within this Offer. These amounts can be increased or decreased at any later date. The Bank shall take all reasonable steps to inform the Borrower of this change within a reasonable timeframe.

The branch of the financial institution where the account is held is not required to verify that the payment is drawn in accordance with this authorization and the Borrower acknowledges that the granting of said authorization to the Bank constitutes notice to the financial institution of said authorization.

The Borrower will notify the Bank in writing of any changes to the account information.

This authorization can be revoked at any time subject to 30 days notice. The Borrower may contact the branch for more information on its rights to cancel this authorization.

The Borrower has certain rights of recourse if a debit is not in accordance with this authorization. For example, the Borrower has the right to be reimbursed for any debit that is not authorized or that is not consistent with this Offer.

For more information on the Borrower's rights of recourse, contact the branch or visit www.cdnpay.ca. The Borrower understands that a written statement to this effect must be provided to the Bank.

The Borrower agrees to waive the requirements of the Canadian Payments Association for advance notice regarding the amount(s) payable, the due dates of debits from the Borrower's account, and each time a change is made to the debit amounts or debit due dates.

12. General Conditions

- 12.1 All financial or accounting terms, determinations, reports and statements referred to or provided for in this Offer shall be made or prepared in accordance with the generally accepted accounting principles of the Canadian Institute of Chartered Accountants, applied in a consistent manner ;
- 12.2 In the absence of manifest error, the books and records held by the Bank will constitute conclusive evidence of the transactions carried out under this Offer and of the Borrower's indebtedness to the Bank ;
- 12.3 The Borrower shall make all payments pursuant to this Offer without set off, compensation or counterclaim, free and clear of, and exempt from , and without any deduction for or on of account of any taxes. All payments received by the Bank will first be applied to any interest in arrears, then to the interest, and finally to the principal ;
- 12.4 The Borrower and Guarantors authorize their legal counsel to communicate to the Bank information it holds or has obtained in relation to the Borrower and Guarantors to the extent that such disclosure is necessary to fulfill the terms and intentions of this Agreement;

- 12.5 The Borrower and Guarantors authorize the Bank to communicate to third parties information it holds or has obtained in relation to the Borrower and Guarantors to the extent that such disclosure is necessary to fulfill the terms and intentions of this Agreement;
- 12.6 The Bank can assign its rights in this Offer, in whole or in part, to one or more of its subsidiaries or to other financial institutions.
- 12.7 Any notice required in connection with this Offer must be in writing and must be sent through a communication means that allows the sender to prove its delivery.
- 12.8 The Bank's standard forms of security, agreements, and other loan documents contain covenants, representations, warranties and events of default to which the Borrower shall be bound, in addition to the covenants, representations, warranties and events of default contained in this Offer.
- 12.9 For any claims or legal proceedings related to this Offer, the parties agree to the non-exclusive jurisdiction of the Courts of the Province of Ontario, Canada.
- 12.10 If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Offer, it becomes necessary to convert into the currency of such jurisdiction (herein called the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the business day before the day on which judgment is given. For this purpose, "**rate of exchange**" means the rate at which the Bank is able, on the relevant date, to sell the currency of the amount due hereunder in Canadian dollars or US dollars, as the case may be, against the Judgment Currency. In the event that there is a change in the rate of exchange prevailing between the business day before the day on which the judgment is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts (if any) as may be necessary to ensure that the amount paid on such date is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due hereunder in Canadian dollars or U.S. dollars, as the case may be. Any additional amount due pursuant to this judgment currency provision will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Offer.
- 12.11 If the Borrower designates more than one person, their obligations are joint and several.
- 12.12 The Bank is authorized (but not obligated) at any time or from time to time, without notice to the Borrower or to any other person, any such notice being expressly waived by the Borrower, to set off, compensate and to apply any and all deposits (general or special) held for or in the name of the Borrower and any indebtedness or liability at any time owing or payable by the Bank to or for the credit of or for the account of the Borrower against and on account of the obligations and liabilities of the Borrower owing or payable to the Bank under this Offer and the security or other agreements contemplated herein or therein, irrespective of currency and of whether or not the Bank has made any demand thereof and whether or not these obligations and liabilities of the Borrower, or any of them, have matured. The Borrower and the Bank further agree that the benefit of any term applicable to any deposit, credit, indebtedness, liability or obligation of the Bank (collectively, the "**Deposit**") shall be lost immediately before the time when the Bank shall exercise its rights pursuant hereto in respect of a relevant Deposit of the Bank.
- 12.13 No waiver of any provision of this Offer nor consent to any departure by the Borrower here from shall be effective unless the same shall be in writing and signed by the

Bank, and then such waiver or consent shall be effective only in the specific instance and the specific purpose for which it is given.


- 12.14 The parties agree that this Offer can be modified from time to time provided that such modification is in writing and executed by the parties.
- 12.15 This Offer is governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Borrower's rights under this Offer cannot be assigned without the Bank's prior consent.

13. Acceptance

If you are in agreement with the terms and conditions of this Offer, please return the enclosed copy prepared for that purpose, duly signed by the Borrower and by the Guarantors, before December 31, 2013.. After this date, the Bank reserves the right to cancel or modify this Offer, without prior notice or liability.

Yours very truly,

LAURENTIAN BANK OF CANADA



Brad Freund
Senior Manager



Robert F. Hyde
Senior Manager

Acceptance

The Borrower(s) confirm(s) that the above financing is (are) for (its) (their) (his) (her) own use and is not intended to be used by or for the benefit of a third party and acknowledges having read and understood the terms and conditions of this Offer and accepts them.

Accepted on the _____ day of _____ 20__.

RSV Investments Inc.

Per: _____
Name: Sean Kelly
Title: President

The Guarantors acknowledge having read and understood all terms and conditions of this Offer and accept(s) them.

The undersigned Guarantors agree that the Bank may until full payment of the amounts due obtain information on the undersigned from any individual authorized by law as well as from any personal information agent and any other individual named on the credit reports, any financial institution and hypothecary insurer.

The undersigned Guarantors agree that the Bank may disclose the information it holds on the undersigned to any person authorized by law, personal information agent, financial institution, hypothecary insurer, surety, or with the consent of the undersigned to any other person who so requests it.

Bank, and then such waiver or consent shall be effective only in the specific instance and the specific purpose for which it is given.

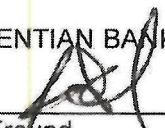
- 12.14 The parties agree that this Offer can be modified from time to time provided that such modification is in writing and executed by the parties.
- 12.15 This Offer is governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Borrower's rights under this Offer cannot be assigned without the Bank's prior consent.

13. Acceptance


If you are in agreement with the terms and conditions of this Offer, please return the enclosed copy prepared for that purpose duly signed by the Borrower and by the Guarantors, before December 31, 2013.. After this date, the Bank reserves the right to cancel or modify this Offer, without prior notice or liability.

Yours very truly,

LAURENTIAN BANK OF CANADA



Brad Freund
Senior Manager



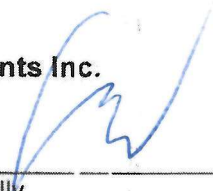
Robert F. Hyde
Senior Manager

Acceptance

The Borrower(s) confirm(s) that the above financing is (are) for (its) (their) (his) (her) own use and is not intended to be used by or for the benefit of a third party and acknowledges having read and understood the terms and conditions of this Offer and accepts them.

Accepted on the 13TH day of DECEMBER 2013.

RSV Investments Inc.


Per: _____
Name: Sean Kelly
Title: President

The Guarantors acknowledge having read and understood all terms and conditions of this Offer and accept(s) them.

The undersigned Guarantors agree that the Bank may until full payment of the amounts due obtain information on the undersigned from any individual authorized by law as well as from any personal information agent and any other individual named on the credit reports, any financial institution and hypothecary insurer.

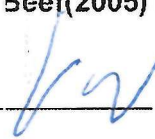
The undersigned Guarantors agree that the Bank may disclose the information it holds on the undersigned to any person authorized by law, personal information agent, financial institution, hypothecary insurer, surety, or with the consent of the undersigned to any other person who so requests it.

Accepted on the 13TH day of DECEMBER 2013.

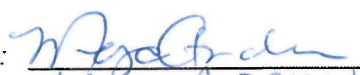
Sean Kelly

Signature: _____ 

Black Angus Freezer Beef(2005) Ltd.

Per: _____ 
Name: Sean Kelly
Title: President

Witness:

Signature: _____ 
Name: MORGAN ANDERSON
Address: NAPIER ST THORNBURY

Black Angus Fine Meats Inc.

Per: _____ 
Name: Sean Kelly
Title: President



LAURENTIAN
BANK

305 King St W
Suite 401
Kitchener ON N2G 1B9

Tel.: 519.579.4440
Fax: 519.579.3992
laurentianbank.ca

Kitchener, June 27, 2017

RSV Investments Inc.
207484 Highway 26
Thornbury, Ontario
N0H 2P0

Attention: Mr. Sean Kelly

Re: Amendment of Credit Facilities

Whereas under the terms and conditions of the agreement entered into between Laurentian Bank of Canada (the "Bank") and RSV Investments Inc. (the "Borrower"), on December 10, 2013, as amended, renewed or replaced from time to time (the "Letter of Offer"), the Bank has extended credit facilities to the Borrower.

For more certainty, and unless specifically modified hereby, all terms and conditions stipulated in agreements signed with the Bank regarding the said credit facilities, their renewal and additions, as the case may be, and all securities held by the Bank remain in full effect, without novation or derogation.

Dear Sir:

We are pleased to inform you that review of your credit facilities has been completed and that, subject to your acceptance, the Letter of Offer is modified as follows:

Borrower
Initial



1. Credit Facilities: Amount and Type

Facility 2B will now read as follows:

Facility 2B: \$1,163,000 Term loan with a new 166 month Amortization period, with a new 60 month term, maturing July 1, 2022;

2. Purpose of the Financing

Facility 2B will now read as follows:

Facility 2B: To refinance existing Facility 2B and provide additional funds for equity injection to related companies Black Angus Fine Meats & Game Inc. and Black Angus Freezer Beef (2005) Ltd.;

4. Terms and Conditions

Paragraph 4.1 will now read as follows:

4.1 Facility 2B – Term Loan

- (a) The maximum amount provided under the facility shall be limited to \$1,163,000, consisting of:
 - i. The existing outstanding balance of the facility at the time of refinancing (\$855,428 as at July 1, 2017, and subject to monthly repayments),
 - ii. The remainder provided as new funds ("the New Advance").
- (b) The New Advance is to be used for the equity injection to related companies Black Angus Fine Meats & Game Inc. and Black Angus Freezer Beef (2005) Ltd.
- (c) The New Advance shall be made in a single disbursement.

5. Repayment

Facility 2B will now read as follows:

Facility 2B: \$1,163,000 Term Loan: This facility is granted for a term of 60 months (the "Term") and is repayable by consecutive monthly instalments as follows: 59 instalments of \$7,012 (principal) plus interest and 1 instalment of \$749,292 (principal) plus interest. All amounts outstanding under this facility must be repaid in full on the last day of the Term. (The amortization period is 166 months);

6. Security

By accepting this Offer, the Borrower confirms and acknowledges that the security already held by the Bank secures advances and/or facilities previously granted by the Bank as well as advances and/or Facility extended or to be extended to the Borrower by the Bank in compliance with this Offer and that all such security remains in full force and effect, unamended, except as may be set forth in this Offer.

The following security, to the extent not already held, must be held by the Bank, the whole in form and substance satisfactory to the Bank:

Paragraphs 6.1, 6.2 and 6.12 will now read as follows:

- 6.1 Collateral mortgage in the amount of \$2,085,000 (increased from \$1,800,000) on the real property located at 207484 hwy 26, Town of Blue Mountains, Ontario. No prior encumbrances; (To be obtained, "TBO")
 - 6.2 Title Insurance in the amount of \$2,085,000 (increased from \$1,800,000) on the real property located at 207484 hwy 26, Town of Blue Mountains, Ontario; (TBO)
 - 6.12 Promissory Note to evidence Facility 2B in the amount of \$1,163,000; (TBO)
- Add:
- 6.14 Undertaking to provide by September 1, 2017, a collateral mortgage in the amount of \$500,000 on the real property located at 4810 Concession 4 Road, West Lincoln, Ontario, No prior charges; (TBO)
 - 6.15 Undertaking to provide by September 1, 2017, title insurance in the amount of \$500,000 on the real property located at 4810 Concession 4 Road, West Lincoln, Ontario; (TBO)

9. Conditions Precedent to Disbursement(s)

Section 9 is replaced in its entirety and will now read as follows:

- 9.1 All necessary corporate actions shall have been taken by the Borrower and by the Guarantor(s) (if any) to authorize the execution of this Offer, the security documentation, and other agreements contemplated herein, to the Bank's satisfaction;
- 9.2 All security documentation granting first ranking position to the Bank (unless otherwise herein expressly agreed to between the Bank and the Borrower) shall have been executed, delivered, served, registered and published, as applicable, to the Bank's satisfaction;
- 9.3 As applicable, the Promissory Note, Line of credit agreement, Foreign Exchange Contract, and any other required Facility Agreement shall be executed and to the satisfaction of the Bank;
- 9.4 The Bank shall have received all information necessary in order to comply with legal and internal requirements in respect to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA), and Know Your Customer (KYC) legislation;
- 9.5 The Bank reserves the right to suspend any disbursement(s) when, in its opinion, an increase in risk has occurred;
- 9.6 The Bank shall have obtained any other consents, documents, certificates and opinions it may reasonably require from the Borrower and the Guarantor(s) (if any) regarding its security;

11. Fees and Costs: Account Debit Authorization

Add:

- 11.5 Non-refundable fees of \$1,000 for review and process purposes are payable by the Borrower on the date of acceptance of this Offer.

12. General Conditions

Add:

- 12.16 Unless the context requires otherwise, words importing the singular shall include the plural and vice versa, and words importing gender shall include all genders;

ACCEPTANCE

The Borrower accepts to pay, on demand, all costs, fees and expenses related to the preparation, execution, publication and renewal of the credit facilities and of the documentation (security documentation or other) related to these presents, including fees of legal counsel of the Bank and all fees and costs incurred for the realization of the Bank's security.

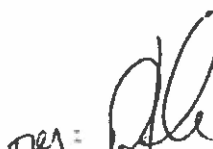
All other provisions stipulated in the Letter of Offer, and not modified under the terms and conditions of this letter, remain in effect. The Letter of Offer, as amended, renewed or replaced from time to time, including the modifications herein, form a single agreement. This agreement may not be interpreted as effecting novation with respect to the obligations contained in the Letter of Offer, or derogation to the rights, clauses and conditions stipulated therein.

If you are in agreement with the terms and conditions of these modifications, please return the enclosed copy prepared for this purpose, duly signed before July 11, 2017. After this date, the Bank reserves the right to cancel or modify these amendments, without prior notice or liability.

Best regards,

LAURENTIAN BANK OF CANADA

Per: 
Name: Brad Freund
Title: Senior Manager

Per: 
Name: Aditya Vasudev
Title: Assistant Vice President

Borrower and Guarantors acceptance page follows.]

ACCEPTANCE

The Borrower accepts the terms and conditions of these amendments. Furthermore, the Borrower confirms that the credits facilities are for its personal use and are not intended to be used by or for the benefit of a third-party.

Signed in duplicate at Tiptonburg this 4 day of July 2017.

RSV INVESTMENTS INC.

Per: _____
Name: Sean Kelly
Title: President

The Guarantors acknowledge having read and understood the terms and conditions of these presents and accept them. The Guarantors acknowledge having received all information required to fully understand their obligations. The Guarantors also declare being severally liable for the Borrower's obligations.

Signed in duplicate at Tiptonburg this 4th day of July 2017.

BLACK ANGUS FREEZER BEEF (2005) LTD.

Per: _____
Name: Sean Kelly
Title: President

BLACK ANGUS FINE MEATS & GAME INC.

Per: _____
Name: Sean Kelly
Title: President

SEAN KELLY

Signature: _____
Address: _____

Witness:

Signature: _____
Name: B. Freund
Address: 305 KINGSLEY RD Tiptonburg, OH



July 24, 2017

Michael Letourneau
SorbaraLaw
31 Union Street East,
Waterloo, ON, N2J 1B8

Dear Michael:

RE: Laurentian Bank Commercial Lending Program -
RSV Investments Inc. ("the Borrower")

Kindly act on our behalf respecting the preparation and execution of all required documentation for the above-noted Borrower pursuant to this engagement letter and our Offer of Finance (the "Offer") and advise the Bank appropriately in connection with such transactions.

The Lender for the purposes of the credit and security documentation is to be Laurentian Bank of Canada.

Enclosed is a copy of our Offer dated June 27, 2017, which has been accepted without change.

Our financing of the increase to existing Facility 2B will be advanced in a single disbursement. The transaction should close by August 4, 2017, if not sooner.

Borrower's Solicitor

The solicitor for the Borrower is to be advised.

Documentation

The Bank's standard documentation (which has been previously forwarded to you) is to be utilized as applicable. Please note that it is not our normal practice to negotiate material changes to the standard provisions of such documentation.

Amendments to the Standard Documentation or to the Offer to Finance

There may be occasion when amendments to our standard documentation or the terms of the Offer are warranted due to their non-material nature or due to the nature of the financing. When changes are warranted you are to request confirmation of our approval in writing and provide your opinion that the amendments will not affect the validity or rank of the Bank's security contemplated by the Offer or unduly restrict our ability to act under the terms of the credit facility.

Please proceed to complete all documentation, opinions and other matters required to satisfy the terms of the Offer and recommend in writing any additional requirements or documents you believe are necessary or appropriate for a transaction of this nature. Please inform us promptly in writing of any concern you believe we should consider.

ID Mandate

Our Borrower has been previously identified in accordance with all regulatory requirements. You are not required to re-identify at this time.

Note: Should the signatories have been previously identified you are not required to re-identify as per the above. Simply advise us as to whom the current signatory is and we will confirm the exemption to this requirement in writing. New signatories must be identified.

Preauthorized Payment (PAP) Mandate

The Bank will fulfill the required PAP mandate and provide a completed PAP document to be included in your reporting book.

Searches

We would ask that you complete all security and title searches that would be appropriate for a transaction of this nature and provide us with your preliminary report (including registrations under the Personal Property Security Act, Bank Act, or against the real property, if applicable,) as quickly as possible via fax so that we may instruct you further. Please act only upon receipt of written confirmation from us regarding existing registrations, prior charges and title issues. **Please include all search results including Complete Articles with the Reporting Books.**

Registrations

Our policy for PPSA registrations is to (a) *not* record a General Collateral Description on Financing Statements which detail, if included, might effectively limit our security, (b) file for a registration period of at least ten years, and (c) **indicate the bank as the secured party at the following address: Transit 0852T, 300-130 Adelaide Street West, Toronto, Ontario M5H 3P5.**

Please note: The Bank has appointed Davis & Henderson (D+H) as its Agent in all PPSA jurisdictions to register financing statements and accompanying documents at the Personal Property Registry Offices. PPSA registrations must be processed via their website. You will receive an electronic confirmation with hard copy of the transaction, to follow.

All costs associated with the preparation and registration of the above will be the responsibility of the Borrower. We request that you obtain an invoice directly from D+H, deduct the costs from the advance proceeds, and remit payment directly to D+H. When remitting your payments to D+H, on the cheque please show the account number (CNS-LB-#) and the invoice number (located on the invoice provided by D+H). PPSA registration particulars are to be included in your final reporting package.

Insurance

In cases where a mortgage is obtained, we require Title Insurance in an amount equal to the registered charge against the property. If Title Insurance is not obtained, we require a survey of the property and your opinion in regard to (a) a Clearance Certificate from the Fire Department, and (b) any deficiencies under the Municipal and Provincial property codes.

Advances

Advances are to be made via your trust account once you inform us that you are satisfied with the documentation and will provide the opinion of your firm that our documentation provides a perfected valid security interest with the desired rank and includes the terms and conditions stipulated in our Offer.

Fees

As you know, the Bank functions within a system of pre-approved outside counsel. In this regard, if the individual lawyer or lawyers who will be working on this matter are not known to the Bank from previous transactions, kindly provide us, by return fax, with the names, year of call to the Bar and hourly billing rate of such individual[s].

Your fees and disbursements are the responsibility of the Borrower as contemplated in the Offer.

In all cases, you should ensure that the Bank's documentation confirms the identity of the party ultimately responsible for your fees and disbursements. If that party is the Borrower, you should also ensure that the documentation permits you to deduct the amount of your account from the first disbursement of the loan.

Conflicts of interest

Obviously, we require immediate disclosure in writing of any conflict of interest that your firm may have in connection with the financing transaction contemplated in this letter.

- **Closing documents**

Please provide your final report and opinion with the original documentation, including a copy of the Offer and our engagement letter to you, **no later than 30 days after closing**. Documentation & Security (130 Adelaide Street, West, Suite 300) will require one original copy of all relevant documents, in a cerlox-bound book, *plus* one version in PDF format via CD-ROM. Any future additions or changes to these documents should also be sent to Documentation & Security via PDF/CD-ROM. We understand that you will permanently keep an original copy of all documents in your file.

Should you have any questions or wish to discuss the details of the Offer, please contact the undersigned.

Yours truly,



Brent Barrett
Senior Associate, Documentation & Security
416.865.5995

c.c.: Brad Freund, Senior Manager, Commercial Banking

This is **Exhibit "C"**, referred to in the
Affidavit of Christopher Corcoran,
sworn before me
this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.



37129-0199 (LT)

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

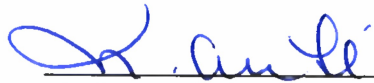
CONCESSION 11 COLLINGWOOD DESIGNATED AS PARTS 1, 2, 3 & 4, 16R-3221; PART OF ROAD ALLOWANCE BETWEEN LOTS 36 & 37, COLLINGWOOD CLOSED
GNATED AS PARTS 5, 6 & 7, 16R-3221; SAVE & EXCEPT PARTS 1 & 2, 16R-11180; TOWN OF THE BLUE MOUNTAINS

RECENTLY:
DIVISION FROM 37129-0074
PIN CREATION DATE:
2019/05/23

CAPACITY SHARE
ROWN

E	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
	(DELETED INSTRUMENTS NOT INCLUDED) **			
	THE LAND TITLES ACT, TO:			
	TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *			
	THE CROWN.			
	WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF			
	POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY			
	TION 70(2) OF THE REGISTRY ACT APPLIES.			
9/03/23 **	\$730,000	RSV INVESTMENTS INC.	RSV INVESTMENTS INC.	C
	\$1,800,000	RSV INVESTMENTS INC.	LAURENTIAN BANK OF CANADA	C
		RSV INVESTMENTS INC.	LAURENTIAN BANK OF CANADA	C
	\$250,000	RSV INVESTMENTS INC.	MILTOM SERVICES LIMITED	C

This is **Exhibit "D"**, referred to in the
Affidavit of Christopher Corcoran,
sworn before me
this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.





GENERAL SECURITY AGREEMENT

THIS AGREEMENT made the 4th day of November, 2009

BETWEEN: **RSV INVESTMENTS INC.**, having a place of business at 207484 Highway 26, Thornbury, Ontario N0H 2P0, Fax No. 519.599.2338

(hereinafter called the "**Debtor**")

AND: **LAURENTIAN BANK OF CANADA**, having an office at 130 Adelaide Street West, Suite 300, Branch 842 Legal Services, Toronto, Ontario M5H 3P5, Fax No. 416.865.5904

(hereinafter called the "**Bank**")

In consideration of the sum of One Dollar (\$1.00) now paid to it by the Bank (receipt of which is hereby acknowledged), and to secure the due payment and performance of all Obligations (hereinafter defined), the Debtor hereby agrees with the Bank and provides as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

As used herein the following expressions shall have the following meanings:

"**Affiliate**" has the meaning ascribed to such term in the *Business Corporations Act* (Ontario), including the corporations (if any) referred to as Affiliates in Schedule "D" hereto;

"**Borrower**" means RSV Investments Inc.;

"**Business Day**" means any day except Saturday, Sunday or a statutory holiday;

"**Collateral**" means all present and future property and assets of the Debtor whether now or hereafter specifically charged or subjected to the floating charge under Section 2.1 (except as excluded pursuant to Section 2.2);

"**Encumbrance**" means any mortgage, lien, pledge, assignment, charge, security interest, title retention agreement, hypothec, levy, execution, seizure, attachment, garnishment, right of distress or other claim in respect of property of any nature or kind whatsoever howsoever arising (whether consensual, statutory or arising by operation of law or otherwise) and includes arrangements known as sale and lease-back, sale and buy-back and sale with option to buy-back;

"**Environmental Assessment**" means any inquiry, investigation or report of the environmental condition of the Premises;

"**Environmental Laws**" means all applicable federal, provincial, regional, state, municipal or local laws, common law, statutes, regulations, ordinances, codes, rules, guidelines, requirements, certificates of approval, licences or permits relating to Hazardous Substances or the use, consumption, handling, transportation, storage or Release thereof including without limitation (and in addition to any such laws relating to the environment generally) any such laws relating to public health, occupational health and safety, product liability or transportation;

"**Environmental Order**" means any prosecution, order, decision, notice, direction, report, recommendation or request issued, rendered or made by any Governmental Authority in connection with Environmental Laws or Environmental Orders;

"**Event of Default**" means any one or more of the events set out or referred to in Section 5.1;

"**Financial Indebtedness**" of the Debtor means the aggregate (without duplication) of the following amounts:

- (e) capital lease obligations and all other indebtedness issued or assumed as full or partial payment for property or services or by way of capital contribution;
- (f) all letters of credit and letters of guarantee issued by a financial institution at the request of or for the benefit of the Debtor;
- (g) any guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business) in any manner, directly or indirectly, of any part or all of any obligation of a type referred to in any of paragraphs (a) to (e) above; and
- (h) any of the foregoing amounts in respect of any Subsidiary of the Debtor whose accounts are not required under generally accepted accounting principles to be consolidated with the accounts of the Debtor;

including (without limitation) all Obligations **but excluding**:

- (i) trade payables, expenses accrued in the ordinary course of business, customer advance payments and deposits received in the ordinary course of business unless the time for due payment of which extends, or is intended to extend, more than twelve months from the date as of which the determination of Financial Indebtedness is being made; and
- (j) indebtedness of the Debtor which is effectively postponed in favour of the Bank;

"Governmental Authority" means any nation, government, province, state, region, municipality or other political subdivision or any governmental department, ministry, commission, board, agency or instrumentality or other public authority or person, domestic or foreign, exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing and includes any court of competent jurisdiction;

"Guarantor" means any person who has guaranteed the indebtedness of the Debtor in favour of the Bank;

"Hazardous Substance" means any substance, combination of substances or by-product of any substance which is or may become hazardous, toxic, injurious or dangerous to any person, property, air, land, water, flora, fauna or wildlife; and includes but is not limited to contaminants, pollutants, wastes and dangerous, toxic, deleterious or designated substances as defined in or pursuant to any Environmental Laws or Environmental Orders;

"Lease" means any lease (whether now existing, presently arising or created in future) whereby the Premises or any part thereof are demised and leased to the Debtor;

"Loan Document" means this Agreement, any of the Security Documents or any other agreement or instrument (whether now existing, presently arising or created in future) delivered by the Debtor or by any Guarantor to the Bank;

"Normal Business" has the meaning ascribed thereto in Schedule "D" hereof;

"Obligations" means all monies now or at any time and from time to time hereafter owing or payable by the Debtor or the Borrower to the Bank and all other obligations (whether now existing, presently arising or created in the future) of the Debtor or the Borrower in favour of the Bank, and whether direct or indirect, absolute or contingent, matured or not, whether arising from agreement or dealings between the Bank and the Debtor or the Borrower or from any agreement or dealings with any third person by which the Bank may be or become in any manner whatsoever a creditor or other obligee of the Debtor or the Borrower or however otherwise arising and whether the Debtor or the Borrower be bound alone or with another or others and whether as principal or surety, including monies payable or obligations arising in connection with the Offer of Finance; for certainty, the Obligations include all Obligations recorded at any branch or other office of the Bank, wherever located, and are not restricted to those Obligations recorded at the office of the Bank set out herein;

"Occupants" means the Debtor, its tenants and other occupants of any Premises;

"Offer of Finance" has the meaning ascribed thereto in Schedule "D" hereto;

"Permitted Encumbrances" means the following:

- (a) liens for taxes, assessments, governmental charges or levies not for the time being due and delinquent;
- (b) easements, rights of way or other similar rights in land existing at the date of this Agreement which individually or in the aggregate do not in the Bank's opinion materially detract from the value of the

- (ii) the Bank is of the opinion that such liens are not materially prejudicial to the security hereof;
- (e) any reservations, limitations, provisos and conditions expressed in any original grant from the Crown which do not in the Bank's opinion materially detract from the value of the property concerned or materially impair its use in the operation of the business of the Debtor;
- (f) title defects or irregularities which, in the opinion of counsel to the Bank, are of a minor nature and in the aggregate will not in the Bank's opinion materially detract from the value of the property concerned or materially impair its use in the operation of the business of the Debtor;
- (g) Purchase Money Securities; and
- (h) the Encumbrances set out in Schedule "C" hereto;

"PPSA" means the *Personal Property Security Act* (Ontario);

"Premises" means all lands and premises owned or occupied by the Debtor from time to time (including the lands and premises referred to in Schedule "A" hereto);

"Purchase Money Security" means any Encumbrance given, reserved, created, assumed or arising by operation of law, whether or not in favour of the transferor, after the date hereof to provide or secure, or to provide the Debtor with funds to pay the whole or any part of, the consideration for the acquisition of tangible personal property other than Inventory where:

- (a) the principal amount of such Encumbrance is originally at least 75% but not greater than 100% of the cost to the Debtor of all of the property encumbered thereby, and
- (b) the Encumbrance only covers the property being acquired by the Debtor

and includes the renewal, extension or refunding of any such Encumbrance and of the indebtedness represented thereby upon the same property provided that the indebtedness secured thereby and the security therefor are not increased thereby;

"Receiver" shall include one or more of a receiver, receiver-manager or receiver and manager of all or a portion of the undertaking, property and assets of the Debtor appointed by the Bank pursuant to this Agreement or by or under any judgment or order of a court;

"Release" includes abandon, add, deposit, discharge, disperse, dispose, dump, emit, empty, escape, leach, leak, migrate, pour, pump, release or spill;

"Security Documents" means, collectively, this Agreement and all other agreements and other instruments delivered to the Bank by the Debtor (whether now existing or presently arising) for the purpose of establishing, perfecting, preserving or protecting any security held by the Bank in respect of any Obligations;

"Share Ownership" has the meaning ascribed to such term in Schedule "D" hereto; and

"Subsidiary" means a corporation in which the Debtor owns, directly and/or indirectly through one or more Subsidiaries, a majority of shares carrying the right to elect at least a majority of the members of the board of directors.

1.2 Interpretation

- 1.2.1 "This Agreement", "hereto", "hereby", "hereunder", "herein", and similar expressions refer to the whole of this Agreement and not to any particular Article, Section, subsection, paragraph, clause, subdivision or other portion hereof.
- 1.2.2 The words "including", "includes", "any" and "or" shall not be limiting or exclusive unless expressly indicated to the contrary.
- 1.2.3 The term, "Debtor" includes each party hereto executing this Agreement in that capacity, both collectively and individually. Their liability hereunder shall be both joint and several. Any provision of this Agreement which mentions the Debtor shall be applied separately to each named Debtor and to all of them collectively. In the case of a Debtor which is a partnership, any provision of this Agreement which mentions the Debtor shall be applied separately to the partnership, to each of the partners (whether or not signatory hereto but excluding the limited partners, if any) and to all of

- 1.2.7 Unless otherwise expressly provided in this Agreement, any reference in this Agreement to any law shall include any by-law, regulation, order, act or statute of any Governmental Body and shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

1.3 Governing Law

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

ARTICLE 2 SECURITY

2.1 Charge

For the purpose set out in Section 2.5 but subject to the exceptions set forth in Section 2.2, the Debtor hereby:

- 2.1.1 grants, sells, assigns, conveys, transfers, mortgages, pledges and charges, as and by way of fixed and specific mortgage, pledge and charge to and in favour of the Bank, and grants to the Bank a security interest in, all personal property of every nature and kind whatsoever and wheresoever situate now or at any time and from time to time owned by the Debtor or in which or in respect of which the Debtor has any interest or rights of any kind together with all Proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor, including the following described property:

- (a) all inventory of whatsoever kind (including vehicles) and wheresoever situate now owned or hereafter acquired by the Debtor including goods for sale or lease or that have been leased; goods furnished or to be furnished under a contract of service; goods which are raw materials, work in process or materials used or consumed in a business or profession of the Debtor; goods used or procured for packing; finished goods; industrial growing crops, oil, gas and other minerals to be extracted; timber to be cut; and the young of animals after conception ("**Inventory**");
- (b) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit, and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due or owned by the Debtor including but not limited to claims against the Crown and claims under insurance policies ("**Accounts**");
- (c) all machinery, equipment, tools, apparatus, plants, fixtures, furniture, vehicles, goods and other tangible personal property of whatsoever nature and kind, now owned or hereafter acquired by the Debtor other than Inventory ("**Equipment**");
- (d) all chattel paper now owned or hereafter acquired by the Debtor ("**Chattel Paper**");
- (e) all warehouse receipts, bills of lading and other documents of title, whether negotiable or otherwise, now owned or hereafter acquired by the Debtor ("**Documents of Title**");
- (f) all instruments now owned or hereafter acquired by the Debtor ("**Instruments**");
- (g) all deeds, documents, writings, papers, books of accounts and other books and records, whether or not in computerized form, evidencing or relating to Accounts, Chattel Paper, Instruments or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable; and all contracts, securities, instruments and other rights and benefits in respect thereof;
- (h) all shares, Securities, stocks, warrants, bonds, debentures, debenture stock or the like now owned or hereafter acquired by the Debtor;
- (i) all intangible property and intangibles now owned or hereafter acquired by the Debtor including, but not limited to, choses in action, goodwill, patents, trademarks, copyrights and other industrial property ("**Intangibles**");

from time to time effectively subjected to the fixed and specific mortgages, charges and security interests created hereby or by any instrument supplemental hereto).

2.2 Exceptions

2.2.1 Exception as to Leases

The last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor is excepted out of the Collateral, but the Debtor shall stand possessed of any such reversion upon trust to assign and dispose thereof as the Bank may direct. Where the giving of a fixed and specific mortgage and charge on any real or personal property held by the Debtor under lease requires the consent of any person, the giving of the fixed and specific mortgage and charge hereunder on such property shall not take effect until such consent is obtained or legally dispensed with, but the Debtor shall hold its rights in such property in trust for the Bank if so doing does not require the consent of another person. The suspension of the effect of the fixed and specific mortgage and charge on such property shall not affect the fixed and specific mortgage and charge on any other property of the Debtor.

2.2.2 Exception as to Consumer Goods

Consumer Goods now held or hereafter acquired by the Debtor are excepted out of the Collateral.

2.3 Charge Valid Irrespective of Advance of Money

The mortgages, pledges and charges hereby created shall have effect and be deemed to be effective whether or not the monies or obligations hereby secured or any part thereof shall be advanced or owing or in existence before or after or upon the date of this Agreement and neither the giving of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds. The Debtor acknowledges that the parties have not agreed to postpone the time for attachment of any of the charges created hereby, including the floating charge created hereby, all of which shall attach upon the execution hereof or, in the case of after-acquired Collateral, as soon as the Debtor acquires rights therein. The Debtor acknowledges that value has been given.

2.4 Supplemental Indentures

The Debtor shall from time to time on demand by the Bank execute and deliver such further deeds or indentures supplemental hereto, which shall thereafter form part hereof, for the purpose of mortgaging to the Bank any property now owned or hereafter acquired by the Debtor and falling within the description of the Collateral, for correcting or amplifying the description of any property hereby mortgaged or intended so to be, or for any other purpose not inconsistent with the terms of this Agreement.

2.5 Continuing Security

The Collateral and any other security given with the Bank's consent in replacement thereof, substitution therefor or in addition thereto shall be held by the Bank as general and continuing security for due payment and performance of all Obligations, including all costs and amounts payable pursuant hereto and interest on the Obligations at the rate or rates applicable thereto in accordance with the Offer of Finance.

2.6 Application of Payments

Any and all payments made at any time in respect of the Obligations and the proceeds realized from any securities held therefor (including moneys realized from the enforcement of this Agreement and any increase in or profits from the Collateral) may be applied (and reapplied from time to time notwithstanding any previous application) to such part or parts of the Obligations as the Bank sees fit, or held by the Bank unappropriated as additional security hereunder for such period of time as the Bank sees fit to be applied against the Obligations when and how the Bank sees fit. The Debtor shall be accountable for any deficiency and the Bank shall be accountable for any surplus.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 General Representations and Warranties

The Debtor represents, warrants and covenants to and with the Bank as follows:

3.1.1 Status

3.1.3 Due Authorization and Enforceability

The Debtor has taken all necessary action to authorize the execution, delivery and performance of each of the Security Documents to which it is a party and each such document constitutes, or upon execution and delivery will constitute, a valid and binding obligation of the Debtor enforceable against it in accordance with its terms, subject only to the following qualifications:

- (a) an order of specific performance and an injunction are discretionary remedies, and in particular, may not be available where damages are considered an adequate remedy; and
- (b) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors' rights.

3.1.4 No Contravention

The execution and delivery of this Agreement and the other Security Documents and the performance by the Debtor of its obligations thereunder (i) does not and will not violate any law or any provision of the articles, by-laws, constituting documents or other organizational documents of the Debtor (or, if a partnership, the partnership agreement respecting the Debtor) or constitute a breach of any existing contractual or other obligation of the Debtor or contravene any licence or permit to which the Debtor is subject, (ii) will not result in the creation of, or require the Debtor to create, any Encumbrance in favour any person other than the Bank, and (iii) will not result in or permit the acceleration of the maturity of any indebtedness or other obligation of the Debtor.

3.1.5 No Consents Required

No authorization, consent or approval of, or filing with or notice to, any person is required in connection with the execution, delivery or performance of this Agreement or any of the other Security Documents by the Debtor.

3.1.6 Locations

The chief executive office of the Debtor is at the location specified in Schedule "D" hereto and all of the tangible Collateral which is personal property (except for Inventory in transit) is located at the Premises referred to in Schedule "A" hereto.

3.1.7 Leases

With respect to each Lease now existing:

- (a) the copy of the Lease provided to the Bank contains the entire agreement between the Debtor, the lessee and any guarantor, surety or indemnitor respecting the subject matter and there have been no modifications, amendments or extensions thereto or thereof; and
- (b) the Lease is in full force and effect and in good standing.

3.1.8 Financial Statements

The financial statements of the Debtor in the form delivered by the Debtor to the Bank have been prepared in accordance with generally accepted accounting principles consistently applied and fairly, completely and accurately present the financial condition of the Debtor and the financial information presented therein for the period and as at the date thereof. Since the date of the last financial statements delivered to the Bank there has been no development which has had or will have a material adverse effect upon the business, property, financial condition or prospects of the Debtor or upon the ability of the Debtor to perform its obligations under any of the Security Documents.

3.1.9 Solvency

The Debtor is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada). No act or proceedings have been taken by or, to the Debtor's knowledge, against or, to the Debtor's knowledge, are pending in connection with, and the Debtor is not in the course of and has not received any notice with respect to, amalgamation, winding-up, surrender of charter, cancellation of charter, dissolution, liquidation, insolvency, bankruptcy, reorganization or a sale of assets out of the ordinary course of business. The Debtor is not in default in complying with the

any judgment, order, writ, injunction, award, rule or regulation of any Governmental Authority or any arbitrator, which individually or in the aggregate results in any such material adverse effect.

3.1.11 No Default

The Debtor is not in default or breach under any material commitment or obligation (including obligations in relation to Financial Indebtedness) or under any order, writ, decree or demand of any Governmental Authority or with respect to any leases, licences or permits to own and/or operate material properties and assets or to carry on business and there exists no state of facts which, after notice or the passage of time or both, would constitute such a default or breach; and there are not any proceedings in progress, pending or threatened, which may result in the revocation, cancellation, suspension or any adverse modification of any such leases, licences or permits.

3.1.12 All Material Information Supplied

The Debtor has provided to the Bank all material information relating to the financial condition, business and prospects of the Debtor and the Guarantors (if any) and all such information is true, accurate and complete in all material respects.

3.1.13 Serial Numbered Goods and Fixtures

Full particulars (including serial number, year, make and model) of each motor vehicle, trailer, mobile home, boat, outboard motor and aircraft in which the Debtor has rights and which is not Inventory are set out in Schedule "B" hereto. None of the goods comprised in the Collateral are fixtures except any fixtures that are described so that they may be readily identified in Schedule "B" hereto and that are affixed or attached to the Premises described in Schedule "A" hereto.

3.1.14 Consumer Goods

None of the Collateral now owned or hereafter acquired is now or shall at any time be Consumer Goods of the Debtor.

3.2 Environmental Representations and Warranties

The Debtor represents, warrants and covenants to and with the Bank as follows:

- 3.2.1 The Collateral and the operations of the Occupants now and will at all times in future comply in all material respects with all Environmental Laws and Environmental Orders.
- 3.2.2 After due and diligent inquiry, it has been found that, except for substances necessary to the carrying on of the Normal Business of the Debtor, there is no Hazardous Substance on or in any of the Premises, no Hazardous Substance has ever been used, stored, located or Released on or in any of the Premises, no part of the Premises is or has ever been contaminated by any Hazardous Substance.
- 3.2.3 After due and diligent inquiry and except as approved by the Bank in writing, it has been found that there are no:
- (a) underground or above-ground storage tanks;
 - (b) asbestos or material containing asbestos;
 - (c) urea formaldehyde or material containing urea formaldehyde;

at, on or under the Premises and none of the foregoing will at any time in future be placed, installed or Released at, on or under the Premises without the prior written consent of the Bank.

- 3.2.4 Any underground or above-ground storage tanks located at, on or under the Premises which have been approved by the Bank have been identified, registered, constructed, operated and maintained as required by Environmental Laws and Environmental Orders and they are presently in a state of good condition and repair, have not leaked and are not presently leaking any of their contents.

- 3.2.5 There is no judicial or administrative proceeding or investigation pending and no Environmental Order has been issued or, to the best of the Debtor's knowledge, threatened concerning the possible violation of any Environmental Laws or Environmental Orders by any of the Occupants, by any of the operations of the Occupants or otherwise in relation to the Collateral.

- 3.2.8 The Debtor has created, properly organized and maintained all documentation and records concerning environmental matters as required by any Environmental Laws or Environmental Orders and will maintain such documentation and records at all times in future as aforesaid.
- 3.2.9 The Debtor has provided to the Bank any Environmental Assessment and related documentation concerning any of the Premises in its possession or control and shall promptly provide to the Bank any such material as the Debtor may obtain in future.
- 3.2.10 The Debtor shall promptly notify the Bank if it:
- (a) receives notice from any Governmental Authority of any violation or potential violation of any Environmental Laws or Environmental Orders, including the Release of a Hazardous Substance, which may have occurred or been committed or is about to occur or be committed;
 - (b) receives notice that any administrative or judicial complaint or Environmental Order has been issued or filed or is about to be issued or filed against any of the Occupants or their representatives alleging violations of any Environmental Laws or Environmental Orders or requiring the taking of any action in connection with any Hazardous Substance;
 - (c) learns of the enactment of any Environmental Laws or the issuance of any Environmental Orders which may have a material adverse effect on the Premises or the operations or the condition, financial or otherwise, of any of the Occupants; or
 - (d) knows of or suspects that any Hazardous Substance (other than a substance necessary to the carrying on of the Normal Business of the Debtor) has been brought onto any part of the Premises or that there is any actual, threatened or potential Release of any Hazardous Substance (whether or not a substance necessary to the carrying on of the Normal Business of the Debtor) on, from, in or under any part of the Premises.
- 3.2.11 The Debtor hereby grants to the Bank and its employees and agents an irrevocable and non-exclusive licence, subject to the rights of tenants, to enter any of the Premises to conduct testing and monitoring with respect to Hazardous Substances and to remove and analyze any Hazardous Substance at the cost and expense of the Debtor (which cost and expense shall be secured hereby).
- 3.2.12 The Debtor shall indemnify the Bank and hold the Bank harmless against and from all loss, costs, damages and expenses which the Bank may sustain, incur or be or become liable for by reason of or arising from the presence, clean-up, removal or disposal of any Hazardous Substance referred to in this Section 3.2.12 or compliance with Environmental Laws or Environmental Orders relating thereto, including any clean-up, decommissioning, restoration or remediation of the Premises and other affected lands or property (and this indemnification shall survive the satisfaction, release or extinguishment of the indebtedness secured hereby).

3.3 Title

The Debtor covenants with the Bank that, subject only to Permitted Encumbrances, it lawfully owns, as legal and beneficial owner, and is lawfully possessed of the Collateral and all property and assets indicated by the financial statements which it has delivered to the Bank to be owned by it and has good right and authority to mortgage and charge the same as provided for herein, free and clear of all Encumbrances (other than Permitted Encumbrances), and it will warrant and defend the title thereto as well as to any other property, rights and interests hereafter acquired by the Debtor. No person has any agreement or right or option to acquire any of such property (except under unfilled purchase orders accepted in the ordinary course of business for the sale of inventory).

ARTICLE 4 COVENANTS OF THE DEBTOR

4.1 General Covenants

So long as this Agreement remains outstanding, the Debtor covenants and agrees as follows:

4.1.1 To Pay Costs

The Debtor shall pay all costs, charges and expenses of or incurred by the Bank (a) incidental to the preparation, execution and filing of this Agreement and any other Security Documents and any

4.1.2 To Pay Certain Debts

The Debtor shall punctually pay and discharge every obligation, failure to pay or discharge which might result in any lien or charge or right of distress, forfeiture, termination or sale or any other remedy being enforced against the Collateral and provide to the Bank when required satisfactory evidence of such payment and discharge, but the Debtor may on giving the Bank such security (if any) as the Bank may require refrain from paying or discharging any obligation so long as it contests in good faith its liability therefor.

4.1.3 To Maintain Existence and Security

The Debtor shall:

- (a) maintain its existence;
- (b) diligently preserve all its rights, licences, powers, privileges, franchises and goodwill;
- (c) observe and perform all of its obligations and comply with all conditions under leases, licences and other agreements to which it is a party or upon or under which any of the Collateral is held;
- (d) carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and income therefrom;
- (e) keep proper books of account with correct entries of all transactions in relation to its business;
- (f) observe and conform to all valid requirements of law and of any Governmental Authority relative to the Collateral or the carrying on by the Debtor of its business;
- (g) repair and keep in repair and good order and condition all property, including the Collateral, the use of which is necessary or advantageous in connection with its business;
- (h) immediately notify the Bank in writing of any proposed change of name of the Debtor or of the Debtor's chief place of business or chief executive office;
- (i) keep the Bank constantly informed in writing as to the location of the Collateral and the books of account and other records of the Debtor;
- (j) immediately deliver to the Bank any negotiable instrument forming part of the Collateral;
- (k) effect such registrations as may be required by the Bank from time to time to protect the security hereof; and
- (l) prevent the Collateral from being or becoming an Accession to property not charged hereby or becoming affixed to any real property other than real property in respect of which the Bank holds a registered mortgage.

4.1.4 Leases

- (a) The Debtor shall at all times perform and discharge all of the lessee's covenants and obligations under any Lease.
- (b) The Debtor will not without the written consent of the Bank terminate, surrender, amend, alter or vary the terms and conditions of any Lease. Nor shall the Debtor, without the written consent of the Bank, waive performance by the landlord under any of the Leases or release any of the said landlords from any obligations under their respective Leases.

4.1.5 To Insure

The Debtor shall keep the Collateral and the operations of the Debtor insured in such amounts as the Bank may reasonably require against loss or damage by fire and such other risks as the Bank may from time to time specify, with insurers approved by the Bank. The Debtor shall whenever from time to time requested by the Bank provide the Bank with satisfactory evidence of such insurance and any renewal thereof which shall at all times be subject to mortgage clauses in a form approved by the Bank, and shall at the request of the Bank forthwith name the Bank as first loss

4.1.7 Inspection by the Bank

The Debtor shall allow any employees or authorized agents of the Bank at any reasonable time to enter the premises of the Debtor in order to inspect the Collateral and to inspect the books and records of the Debtor and make extracts therefrom, and shall permit the Bank prompt access to such other persons as the Bank may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor, provided that any information so obtained shall be kept confidential, save as required by the Bank in exercising its rights hereunder.

4.1.8 Accounts

Subject to any Permitted Encumbrances thereon, Accounts shall be received by the Debtor in trust for the Bank; provided that as long as an Event of Default has not occurred the Debtor may collect and use the Accounts in the ordinary course of business.

4.1.9 Deliver Information

The Debtor shall deliver such financial statements to the Bank together with such other statements and reports as may be required pursuant to the Offer of Finance, within the time periods stipulated therein. Such financial statements shall be prepared in accordance with generally accepted accounting principles consistently applied and shall fairly, completely and accurately present the financial condition of the Debtor and the financial information presented therein for the period and as at the date thereof. The Debtor shall provide to the Bank any other information concerning its financial position and business operations which the Bank may from time to time request.

4.1.10 Notice of Litigation and Damage

The Debtor will promptly give written notice to the Bank of (a) all claims or proceedings pending or threatened against the Debtor which may give rise to uninsured liability in excess of \$25,000 or which may have a material adverse affect on the business or operations of the Debtor, (b) all damage to or loss or destruction of any property comprising part of the Collateral which may give rise to an insurance claim in excess of \$25,000 and (c) all uninsured damage to or loss or destruction of property comprising part of the Collateral in excess of \$25,000; and will supply the Bank with all information reasonably requested in respect of any such matters.

4.1.11 Notice of Default

The Debtor will promptly give written notice to the Bank of the occurrence of any Event of Default or of any event which after notice or lapse of time would constitute an Event of Default.

4.1.12 Representations and Warranties

The representations and warranties made by the Debtor in Article 4 shall be true and correct on each day that this Agreement or any of the Security Documents remains in force, with the same effect as if such representations and warranties had been made and given on and as of such day (except to the extent any such representation and warranty is expressly limited to a particular date or particular period or time), notwithstanding any investigation made at any time by or on behalf of the Bank.

4.1.13 Not to Create Certain Charges

The Debtor shall not, without the prior written consent of the Bank, create or permit to arise any Encumbrance on any of the Collateral (other than Permitted Encumbrances), and will not permit any Subsidiary to do the same (except in favour of the Debtor). Nothing herein contained shall be construed as subordinating the Bank's interest in the Collateral in favour of any third party who claims the Collateral by virtue of a Permitted Encumbrance.

4.1.14 Not to Sell

The Debtor shall not, except as otherwise permitted hereunder, remove, destroy, lease, sell or otherwise dispose of any of the Collateral; provided that the Debtor may sell, lease or otherwise dispose of Equipment which has become worn out or damaged or otherwise unsuitable for their purposes on condition that it shall substitute therefor, subject to the lien hereof and free from prior liens or charges, property of at least equal value so that the security hereby constituted shall not thereby be in any way reduced or impaired; and provided further that the Debtor may sell Inventory

- (d) enter into a partnership, joint venture or syndicate with any other person; acquire or establish any Subsidiary; or, if a corporation, amalgamate, consolidate or merge with any person;
- (e) enter into any transaction, or permit any Subsidiary to do so, outside the ordinary active business operations of the Debtor and its Subsidiaries;
- (f) acquire or invest in any Securities except instruments or Securities issued by a financial institution or liquid Securities traded on a recognized public securities exchange and acquired only for the Debtor's cash management purposes or permit any Subsidiary to do so;
- (g) remove any of the Collateral or any of the books of account or other records of the Debtor from the jurisdiction where presently located;
- (h) permit Share Ownership to change;
- (i) create, issue, incur or otherwise become liable upon, directly or indirectly, any Financial Indebtedness or permit any Subsidiary to do so;
- (j) reduce or make any distribution of its capital, or redeem, purchase or otherwise retire or pay for any shares in its present or future capital stock;
- (k) create, allot or issue any shares in its capital, change its capital structure, enter into any agreement, or make any offer, to do so or permit any Subsidiary to do any such thing with respect to the capital or capital structure of such Subsidiary; or
- (l) make or repay or guarantee any loan or advance to any person, or endorse or otherwise become surety or guarantor for or upon, or indemnify against loss arising from, the obligations of any person, except by endorsement of negotiable instruments for deposit or collection, and the Debtor shall not permit any Subsidiary to do any such thing.

4.1.16 Serial Numbered Goods and Fixtures

Upon the acquisition by the Debtor from time to time of rights in any motor vehicles, trailers, mobile homes, boats, outboard motors or aircraft which are not Inventory and which are not fully described in Schedule "B" hereto, or upon repossession by or return to the Debtor of any such goods, the Debtor will forthwith give written notice to the Bank of full particulars (including the serial number) of the same. The Debtor will not permit goods now or hereafter comprised in the Collateral to become fixtures unless they are, or are to be, affixed or attached to the Premises described in Schedule "A" hereto and unless the goods are described in Schedule "B" hereto so that they may be readily identified.

ARTICLE 5 EVENTS OF DEFAULT AND REMEDIES

5.1 Events of Default

Agreement: The occurrence of any of the following events shall constitute an Event of Default under this

- 5.1.1 if default occurs in payment or performance of any Obligation (whether arising herein or otherwise);
- 5.1.2 if any representation or warranty made by the Debtor herein or in any other Loan Document or in any certificate, statement or report furnished in connection with or pursuant to the Offer of Finance is found to be false or incorrect in any way so as to make it materially misleading when made or when deemed to have been made;
- 5.1.3 if default occurs in payment or performance of any obligation in favour of any person to whom the Debtor is indebted except obligations to trade creditors incurred in the ordinary course of business which do not materially and adversely affect the financial condition of the Debtor;
- 5.1.4 if default occurs in payment or performance of any obligation (whether now existing, presently arising or created in future) of any Affiliate of the Debtor in favour of the Bank;

other reorganization or arrangement respecting its liabilities or if the Debtor gives notice of its intention to make or file any such proposal or petition including an application to any court for an order to stay or suspend any proceedings of creditors pending the making or filing of any such proposal or petition;

- 5.1.9 if any receiver, administrator or manager of the property, assets or undertaking of the Debtor or a substantial part thereof is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court;
- 5.1.10 if any balance sheet or other financial statement provided by the Debtor to the Bank pursuant to the provisions hereof is false or misleading in any material respect;
- 5.1.11 if the Debtor permits any sum which has been admitted as due by it or is not disputed to be due by it and which forms, or is capable of being made, an Encumbrance upon any of the Collateral in priority to, or pari passu with, the charge created by this Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same as such charge;
- 5.1.12 if any proceedings are taken to enforce any Encumbrance affecting any of the Collateral;
- 5.1.13 if the validity of any Loan Document is brought into question or disputed in whole or in part where the effect of any such invalidity would materially adversely affect the interests of the Bank hereunder or in connection with the Offer of Finance;
- 5.1.14 if any action is taken or power or right be exercised by any Governmental Authority or if any claim or proceeding is pending or threatened by any person which may have a material adverse effect on the Debtor, its business or operations, its properties or its prospects;
- 5.1.15 if in the opinion of the Bank a material adverse change has occurred in the financial condition or business of the Debtor which may impair the ability or willingness of the Debtor to perform its obligations hereunder, under the Offer of Finance or under any other Loan Document or if the Bank considers that the Collateral is in jeopardy or that the Bank is insecure; and
- 5.1.16 if any event occurs with respect to any Guarantor which if a like event had occurred with respect to the Debtor would have constituted an Event of Default.

5.2 Consequences of an Event of Default

Upon the occurrence of an Event of Default, any obligation of the Bank to make further loans or advances or extend other credit to the Debtor shall immediately terminate and all Obligations and all monies secured hereby shall at the option of the Bank become forthwith due and payable whereupon the floating charge hereby created shall crystallize, all of the rights and remedies hereby conferred in respect of the Collateral shall become immediately enforceable and any and all additional and collateral securities for payment of this Agreement shall become immediately enforceable.

5.3 Enforcement

Upon the happening of any Event of Default the Bank shall have the following rights and powers:

- 5.3.1 to enter into possession of all or any part of the Collateral;
- 5.3.2 to preserve and maintain the Collateral and make such replacements thereof and additions thereto as it deems advisable;
- 5.3.3 to borrow money in the Debtor's name or in the Bank's name or on the security of the Collateral or to advance the Bank's own money to the Debtor, in any case upon such terms as the Bank may deem reasonable and upon the security hereof;
- 5.3.4 to pay or otherwise satisfy in whole or in part any Encumbrances which, in the Bank's opinion, rank in priority to the security hereof;
- 5.3.5 after entry by its officers or agents or without entry to sell, lease or otherwise dispose in any way whatsoever of all or any part of the Collateral either en bloc or separately at public auction or by tender or by private agreement and at such time or times and on such terms and conditions as the Bank in its absolute discretion may determine and without any notice to or concurrence of the Debtor except as may be required by applicable law;

The security of this Agreement may be realized and the rights enforced by any remedy or in any manner authorized or permitted by this Agreement or by law or equity and no remedy for the realization of the security hereof shall be exclusive of or dependent upon any other remedy and all or any remedies may from time to time be exercised independently or in any combination.

5.4 Disposition

Without limiting the generality of the foregoing it shall be lawful for the Bank:

- 5.4.1 to make any sale, lease or other disposition of the Collateral either for cash or upon credit or partly for one and partly for the other upon such conditions as to terms of payment as it in its absolute discretion may deem proper;
- 5.4.2 to rescind or vary any contract for sale, lease or other disposition that the Bank may have entered into pursuant hereto and resell, release or redispense of the Collateral with or under any of the powers conferred herein; and
- 5.4.3 to stop, suspend or adjourn any sale, lease or other disposition from time to time and to hold the same as adjourned without further notice.

Upon any such sale, lease or other disposition the Bank shall be accountable only for money actually received by it. The Debtor shall be accountable for any deficiency and the Bank shall distribute any surplus as required by law. The Bank may deliver to the purchaser or purchasers of the Collateral or any part thereof good and sufficient conveyances or deeds for the same free and clear of any claim by the Debtor. The purchaser or lessee receiving any disposition of the Collateral or any part thereof need not inquire whether default under this Agreement has actually occurred but may as to this and all other matters rely upon a statutory declaration of an officer of the Bank, which declaration shall be conclusive evidence as between the Debtor and any such purchaser or lessee, and the purchaser or lessee need not look to the application of the purchase money, rent or other consideration given upon such sale, lease or other disposition, which shall not be affected by any irregularity of any nature or kind relating to the crystallizing or enforcing of the security hereof or the taking of possession of the Collateral or the sale, lease or other disposition thereof.

5.5 Powers of Receiver

Any Receiver appointed as aforesaid shall have the power without legal process:

- 5.5.1 to take possession of the Collateral or any part thereof wherever the same may be found;
- 5.5.2 to carry on the business of the Debtor or any part thereof in the name of the Debtor or of the Receiver; and
- 5.5.3 to exercise on behalf of the Bank all of the rights and remedies herein granted to the Bank,

and without in any way limiting the foregoing the Receiver shall have all the powers of a receiver appointed by a court of competent jurisdiction. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor, and the Bank shall not be in any way responsible for any misconduct or negligence on the part of any Receiver or any loss resulting therefrom.

5.6 Application of Moneys

All moneys actually received by the Bank or by the Receiver in enforcing the security of this Agreement shall be applied, subject to the proper claims of any other person:

- 5.6.1 first, to pay or reimburse the Bank and any Receiver the costs, charges, expenses and advances payable by the Debtor in accordance herewith;
- 5.6.2 second, in or toward the payment to the Bank of all other moneys owing hereunder or secured hereby in such order as the Bank in its sole discretion may determine; and
- 5.6.3 third, any surplus shall be distributed as required by law.

5.7 Powers of Directors and Officers

Upon the Bank declaring as aforesaid that the security hereof has become enforceable and crystallized or the Debtor receiving notice from the Bank of the taking of possession of any of the Collateral or of the appointment of a Receiver, all the powers, functions, rights and privileges of the directors and officers of the Debtor

5.9 Urgency

If an Event of Default occurs, the Debtor agrees that the exercise by the Bank of any of its rights and remedies constitutes an urgent insolvency matter which shall be heard by a judge at Toronto presiding over the Commercial List and, if necessary for such purpose, the Debtor consents to transfer all proceedings to such a judge.

ARTICLE 6 GENERAL

6.1 Waiver

No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Debtor herefrom shall in any event be effective unless the same shall be in writing and signed by the Bank (and by the Debtor, if an amendment), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6.2 Other Securities

The rights of the Bank hereunder shall not be prejudiced nor shall the liabilities of the Debtor or of any other person be reduced in any way by the taking of any other security of any nature or kind whatsoever whether in addition to, or in substitution for, existing security either at the time of execution of this Agreement or at any time hereafter.

6.3 No Merger or Novation

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liability of the Debtor to pay the moneys hereby secured nor shall the same operate as a merger of any covenant herein contained or of any other Obligation, nor shall the acceptance of any payment or other security constitute or create any novation.

6.4 Amalgamation

The Debtor, if a corporation, acknowledges that if it amalgamates with any other corporation or corporations (a) the Collateral and the lien created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term, "**Debtor**", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "**Obligations**", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 6.4 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.

6.5 Power of Attorney

The Debtor for valuable consideration irrevocably appoints the Bank and its officers from time to time or any of them to be the attorneys of the Debtor in the name of and on behalf of the Debtor to execute and do any deeds, transfers, conveyances, assignments, assurances and things which the Debtor ought to execute and do under the covenants and provisions herein contained and generally to use the name of the Debtor in the exercise of all or any of the powers hereby conferred on the Bank, including to receive, endorse and collect all instruments made payable to the Debtor representing any distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

6.6 The Bank May Remedy Default

If the Debtor fails to do anything hereby required to be done by it, the Bank may, but shall not be obliged to, do such thing and all sums thereby expended by the Bank shall be payable forthwith by the Debtor, shall be secured hereby and shall have the benefit of the lien hereby created, but no such performance by the Bank shall be deemed to relieve the Debtor from any default hereunder.

6.7 Purchase Money Security Interest

The Debtor acknowledges that the security interest in any item of Collateral and its proceeds shall constitute a purchase-money security interest to the extent it secures Obligations incurred by the Debtor to enable the Debtor to acquire rights in such Collateral. The Bank hereby reserves title to any item of Collateral which may be sold by the Bank to the Debtor until satisfaction of the Obligations as aforesaid.

6.9 Notices

Any notice or written communication given pursuant to or in connection with this Agreement shall be in writing and shall be given by delivering the same personally or by prepaid courier, prepaid registered mail, telex or telecopier, addressed to the party to be notified at the address of such party set out herein or at such other address of which such party has given notice to the other parties hereto. Any such notice shall be conclusively deemed to have been given and received on the day of actual receipt by the addressee or, if given by prepaid registered mail, on the third Business Day following the mailing date (absent a general disruption in postal service.)

6.10 Offer of Finance

This Agreement is being issued by the Debtor to the Bank pursuant to the terms of the Offer of Finance. All terms and conditions of the Offer of Finance shall remain in full force and effect. In the event of a conflict or inconsistency between any provision of this Agreement and any provision of the Offer of Finance the provision of the Offer of Finance shall govern and prevail.

6.11 Receipt

The Debtor hereby acknowledges receipt of a true copy of this Agreement and a copy of the financing statement registered in respect of the security created hereby.

6.12 Successors and Assigns, etc.

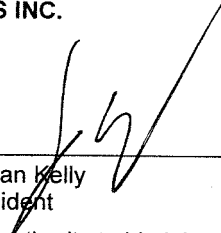
This Agreement and all its provisions shall enure to the benefit of the Bank, its successors and assigns and shall be binding upon the Debtor, its successors and permitted assigns. Every reference to a party hereto shall extend to and include such party's successors and permitted assigns, as if specifically named. Time shall be in all respects of the essence hereof.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]

above. **IN WITNESS WHEREOF** the Debtor has duly executed this Agreement as of the date first written

RSV INVESTMENTS INC.

Per:



Name: Sean Kelly
Title: President

I have the authority to bind the Corporation.

SCHEDULE "A"
PREMISES
(OWNED OR LEASED)

(Section 1.1)

Municipal Address

207484 Highway 26, Thornbury, Ontario N0H 2P0

Legal Description

Part Lot 36, Concession 11, Collingwood, designated as PARTS 1, 2, 3 and 4, Plan 16R3221 and part of the road allowance between Los 36 and 36, Collingwood, designated as PARTS 5, 6 and 7, Plan 16R3221, closed by R102245, Town of Blue Mountains, County of Grey

SCHEDULE "B"
SPECIFIED PERSONAL PROPERTY

(Section 2.1.1(I))

I. The following goods now located at 207484 Highway 26, Thornbury, Ontario N0H 2P0.

(see attached list)

NONE

II. The following intellectual property:

NONE

SCHEDULE "C"

PERMITTED ENCUMBRANCES

(Section 1.1)

PERSONAL PROPERTY SECURITY ACT

Secured Party	Registration Number	Collateral Description	Amount Secured (Current Balance)
----------------------	----------------------------	-------------------------------	---

REAL PROPERTY REGISTRATIONS

Party	Registration Number	Amount Secured (Current Balance)
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SCHEDULE "D"
MISCELLANEOUS PARTICULARS

1.1 **Chief Executive Office.** The Debtor's chief executive office is located at the following address:
207484 Highway 26, Thornbury, Ontario N0H 2P0.

1.2 **"Affiliate"** includes the following corporations: Black Angus Freezer Beef (2005) Ltd. and Black Angus Fine Meats & Game Inc.

1.3 **"Normal Business"** means the following activities: Ownership and lease of commercial premises

1.4 **"Offer of Finance"** means the letter of the Bank to Black Angus Group of Companies dated the 28th day of September, 2009, as accepted by Black Angus Freezer Beef (2005) Ltd., Black Angus Fine Meats & Game Inc. and RSV Investments Inc., as amended, supplemented, restated or replaced from time to time;

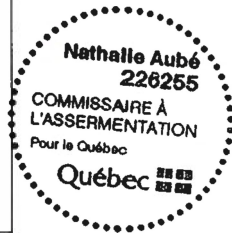
1.5 **"Share Ownership"** means the direct or indirect beneficial ownership of shares of the Debtor as follows:

Owner	Class of Shares	Number of Shares
Sean Kelly	Common	49

This is **Exhibit "E"**, referred to in the
Affidavit of Christopher Corcoran,
sworn before me
this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 227
RUN DATE : 2019/08/15
ID : 20190815194227.86

REPORT : PSSR060
PAGE : 1
(5298)

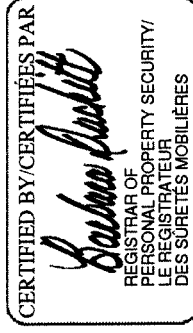
THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
FILE CURRENCY : 14AUG 2019

ENQUIRY NUMBER 20190815194227.86 CONTAINS 6 PAGE(S), 2 FAMILY(IES).

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

THORNTON GROUT FINNIGAN LLP - ROXANA MANEA
3200-100 WELLINGTON STREET WEST
TORONTO ON M5K 1K7



CONTINUED... 2



PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 2
 (5299)

RUN NUMBER : 227
 RUN DATE : 2019/08/15
 ID : 20190815194227.86

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
 FILE CURRENCY : 14AUG 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER : 657266058

01 CAUTION FILING : 01 TOTAL PAGES : 001
 MOTOR VEHICLE SCHEDULE : 20091029 1940 1531 3710 P PPSA 10
 REGISTERED UNDER PERIOD : 10

02 DEBTOR NAME : RSV INVESTMENTS INC.
 INITIAL SURNAME : THORNBURY
 ONTARIO CORPORATION NO. : ON N0H 2P0

03 BUSINESS NAME : RSV INVESTMENTS INC.
 ADDRESS : 207484 HIGHWAY 26

04 DATE OF BIRTH :
 FIRST GIVEN NAME :
 INITIAL SURNAME :
 ONTARIO CORPORATION NO. :
 REGISTERED UNDER PERIOD : 10

05 DEBTOR NAME : RSV INVESTMENTS INC.
 INITIAL SURNAME : THORNBURY
 ONTARIO CORPORATION NO. : ON N0H 2P0

06 DATE OF BIRTH :
 FIRST GIVEN NAME :
 INITIAL SURNAME :
 ONTARIO CORPORATION NO. :
 REGISTERED UNDER PERIOD : 10

07 BUSINESS NAME : RSV INVESTMENTS INC.
 ADDRESS : 207484 HIGHWAY 26

08 SECURED PARTY / LIEN CLAIMANT : LAURENTIAN BANK OF CANADA
 ADDRESS : 300-130 ADELAIDE ST. W. LEGAL SERVICES TORONTO ON M5H 3P5

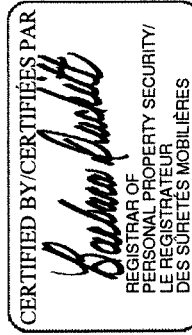
09 COLLATERAL CLASSIFICATION :
 CONSUMER :
 GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED : X X X
 MOTOR VEHICLE AMOUNT :
 DATE OF MATURITY OR MATURITY DATE :
 NO FIXED :
 V.I.N. :

10 YEAR MAKE :
 MODEL :
 V.I.N. :

11 MOTOR VEHICLE :
 GENERAL COLLATERAL DESCRIPTION :
 REGISTERING AGENT :
 CANADIAN SECURITIES REGISTRATION SYSTEMS
 4126 NORLAND AVENUE
 BURNABY BC V5G 3S8

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

13 CONTINUED... 3



PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 3
 (5300)

RUN NUMBER : 227
 RUN DATE : 2019/08/15
 ID : 20190815194227.86

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
 FILE CURRENCY : 14AUG 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
 FILING NO. OF PAGES SCHEDULE NUMBER UNDER
 01 001 20170829 1359 1862 3194

RECORD FILE NUMBER 657266058 CORRECT PERIOD
 REFERENCED PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED RENEWAL YEARS
 X B RENEWAL 8

REFERENCE FIRST GIVEN NAME INITIAL SURNAME
 23 DEBTOR/ BUSINESS NAME RSV INVESTMENTS INC.
 24 TRANSFEROR

OTHER CHANGE
 REASON/
 DESCRIPTION

DEBTOR/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
 TRANSFEREE BUSINESS NAME

04/07 ADDRESS ONTARIO CORPORATION NO.

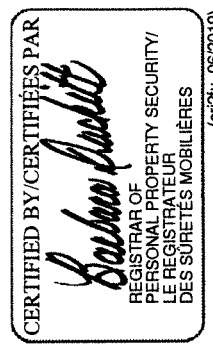
ASSIGNOR
 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

COLLATERAL CLASSIFICATION
 CONSUMER

GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE	INCLUDED	AMOUNT	MATURITY	OR	DATE OF MATURITY	NO. FIXED
YEAR	MAKE	MODEL	V.I.N.								
11	MOTOR										
12	VEHICLE										
13	GENERAL										
14	COLLATERAL										
15	DESCRIPTION										
16	REGISTERING AGENT OR	SORBARA, SCHUMACHER, MCCANN LLP (KL)									
17	SECURED PARTY/ ADDRESS	31 UNION STREET EAST									
	LIEN CLAIMANT	WATERLOO ON N2J 1B8									

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

CONTINUED... 4



TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
 FILE CURRENCY : 14AUG 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
 657266067

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
 FILING NO. OF PAGES MO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
 01 001 001 20091029 1940 1531 3711 P PPSA 10

02 DEBTOR INITIAL SURNAME
 03 BUSINESS NAME RSV INVESTMENTS INC. ONTARIO CORPORATION NO.
 ADDRESS 207484 HIGHWAY 26 THORNBURY ON N0H 2P0

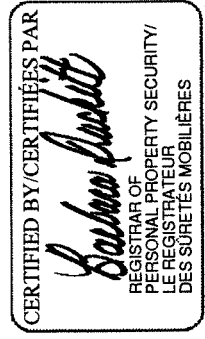
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 05 BUSINESS NAME ONTARIO CORPORATION NO.
 ADDRESS LAURENTIAN BANK OF CANADA ON M5H 3P5

06 SECURED PARTY / LIEN CLAIMANT
 ADDRESS 300-130 ADELAIDE ST. W. LEGAL SERVICES TORONTO

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

11 YEAR MAKE MODEL V.I.N.
 12 MOTOR VEHICLE
 13 GENERAL
 14 COLLATERAL
 15 DESCRIPTION CANADIAN SECURITIES REGISTRATION SYSTEMS
 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

16 REGISTERING AGENT
 *** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***
 CONTINUED... 5



PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 5
 (5302)

RUN NUMBER : 227
 RUN DATE : 2019/08/15
 ID : 20190815194227.86

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
 FILE CURRENCY : 14AUG 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING NO. OF PAGES TOTAL MOTOR VEHICLE REGISTRATION REGISTERED UNDER
 001 001 20170829 1359 1862 3195

RECORD REFERENCED FILE NUMBER 657266067

PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED RENEWAL CORRECT PERIOD
 X B RENEWAL 8

REFERENCE DEBTOR/ TRANSFEROR BUSINESS NAME RSV INVESTMENTS INC.
 FIRST GIVEN NAME INITIAL SURNAME

OTHER CHANGE REASON/ DESCRIPTION DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR/ TRANSFEREE BUSINESS NAME ADDRESS

ONTARIO CORPORATION NO.

ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE

COLLATERAL CLASSIFICATION CONSUMER

GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED AMOUNT MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR VEHICLE DATE OF NO FIXED

GENERAL COLLATERAL SORBARA, SCHUMACHER, MCCANN LLP (KL)

REGISTERING AGENT OR ADDRESS 31 UNION STREET EAST

SECURED PARTY/ LIEN CLAIMANT WATERLOO ON N2J 1B8

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

CONTINUED . . .

6



(crj2lu 06/2019)



PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(5303)

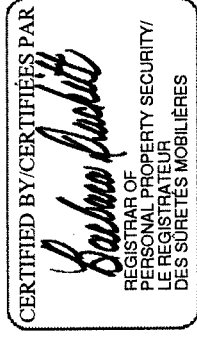
RUN NUMBER : 227
RUN DATE : 2019/08/15
ID : 20190815194227.86

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : RSV INVESTMENTS INC.
FILE CURRENCY : 14AUG 2019

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
657266058	20091029 1940 1531 3710	20170829 1359 1862 3194	
657266067	20091029 1940 1531 3711	20170829 1359 1862 3195	

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



This is **Exhibit "F"**, referred to in the
Affidavit of Christopher Corcoran,
sworn before me
this 9th day of September, 2019.



A Commissioner for taking Affidavits, etc.

