

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

BETWEEN:

**VECTOR FINANCIAL SERVICES LIMITED**

Applicant

and

**AJAX MEADOWS LTD.**

Respondent

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

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**APPLICATION RECORD  
(Returnable April 22, 2024)**

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April 12, 2024

**GOWLING WLG (CANADA) LLP**

Barristers and Solicitors

1 First Canadian Place

100 King Street West, Suite 1600

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*Lawyers for the Applicant*

**TO:           The Attached Service List.**

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**SERVICE LIST**

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<b>TO:</b>	<p><b>GOWLING WLG (CANADA) LLP</b> 1 First Canadian Place, 100 King Street West Suite 1600 Toronto, Ontario M5X 1G5</p> <p><b>Thomas Gertner</b> Tel: 416-369-4618 Fax: 416-862-7661 Email: <a href="mailto:thomas.gertner@gowlingwlg.com">thomas.gertner@gowlingwlg.com</a></p> <p><b>Katherine Yurkovich</b> Tel: 416-862-4342 Fax: 416-862-7661 Email: <a href="mailto:kate.yurkovich@gowlingwlg.com">kate.yurkovich@gowlingwlg.com</a></p> <p><i>Counsel to the Applicant, Vector Financial Services Limited and the Proposed Receiver, TDB Restructuring Limited</i></p>
<b>AND TO:</b>	<p><b>TDB RESTRUCTURING LIMITED</b> 11 King Street West, Suite 700 Toronto, Ontario M5H 4C7</p> <p><b>Bryan A. Tannenbaum</b> Tel: 416-238-5055 Email: <a href="mailto:btannenbaum@tdbadvisory.ca">btannenbaum@tdbadvisory.ca</a></p> <p><b>Jeffrey Berger</b> Tel: 647-726-0496 Email: <a href="mailto:jberger@tdbadvisory.ca">jberger@tdbadvisory.ca</a></p> <p><i>Proposed Receiver</i></p>
<b>AND TO:</b>	<p><b>AJAX MEADOWS LTD.</b> 1235 Queensway East, Suite 17a Mississauga, Ontario L4Y 0G4</p> <p><b>Sameer Khan</b> Email: <a href="mailto:sameer@ajaxmeadows.ca">sameer@ajaxmeadows.ca</a></p> <p><i>Respondent</i></p>

<b>AND TO:</b>	<p><b>SARJU ELIYAS LAW PROFESSIONAL CORPORATION</b> 104-200 Tiffield Road Toronto, Ontario M1V 5J1</p> <p><b>Alanna Sarju</b> Tel: 416-291-0009 ext 2020 Fax: 866-662-7290 Email: <a href="mailto:alanna@sarjueliyaslaw.ca">alanna@sarjueliyaslaw.ca</a></p> <p><i>Counsel to the Respondent, Ajax Meadows Ltd.</i></p>
<b>AND TO:</b>	<p><b>OLYMPIA TRUST COMPANY</b> P.O. Box 2581 STN Central Calgary, Alberta T2P 1C8</p> <p><i>Co-Lender to the Applicant, Vector Financial Services Limited</i></p>
<b>AND TO:</b>	<p><b>2439656 ONTARIO INC.</b> 145 – 2960 Drew Rd. Mississauga, Ontario L4T 0A5</p> <p>Copy to: <b>MAX CAPITAL CORP.</b> 145 – 2960 Drew Rd. Mississauga, Ontario L4T 0A5</p> <p><i>Mortgagee and Secured Creditor of the Respondent</i></p>
<b>AND TO:</b>	<p><b>KMB LAW</b> 4 Robert Speck Parkway, Suite 1600 Mississauga, Ontario L4Z 1S1</p> <p><b>Amandeep Sidhu</b> Tel: (905) 276-0401 Fax: (905) 276-2298 Email: <a href="mailto:asidhu@kmblaw.com">asidhu@kmblaw.com</a></p> <p><i>Counsel to 2439656 Ontario Inc. and Max Capital Corp.</i></p>

<b>AND TO:</b>	<b>ATTORNEY GENERAL OF CANADA</b> Department of Justice Ontario Regional Office, Tax Law Services Division 120 Adelaide Street West, Suite 400 Toronto, Ontario M5H 1T1  Email: <a href="mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca">AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</a>
<b>AND TO:</b>	<b>ONTARIO MINISTRY OF FINANCE</b> Insolvency Unit 33 King Street West, 6th Floor Oshawa, Ontario L1H 8H5  <b>Insolvency Unit</b> Tel: 1-866-668-8297 Email: <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>

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## INDEX

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**TAB 1**



Court File No. CV-

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

**BETWEEN:**

**VECTOR FINANCIAL SERVICES LIMITED**

**Applicant**

**- and -**

**AJAX MEADOWS LTD.**

**Respondent**

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

**NOTICE OF APPLICATION**

**TO THE RESPONDENT:**

**A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU** by the Applicant. The claim made by the Applicant is set out on the following pages.

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

1.  In person
2.  By telephone conference
3.  By video conference

at the following location: Video conference details to be established.

on: **April 22, 2024 at 10:00 A.M. (Eastern Time) for 1 hour**

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

**IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION**, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

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

Date: April 11, 2024

Issued by \_\_\_\_\_  
Local Registrar

Address of Court Office:  
330 University Avenue  
Toronto, Ontario, Canada

**TO: THE ATTACHED SERVICE LIST**

1. **THE APPLICANT, MAKES APPLICATION FOR, *inter alia*:**

- (a) An Order substantially in the form of Order attached at Tab 3 of the Application Record, to be filed, appointing TDB Restructuring Limited (“**TDB**”) as receiver (in such capacity, the “**Receiver**”), without security, of the Mortgaged Property (as defined below) pursuant to Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended (the “**BIA**”) and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C43, as amended (the “**CJA**”); and
- (b) Such further and other relief as may be just and equitable.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

- (a) Ajax Meadows Ltd. (“**Ajax Meadows**”) is a real estate development company;
- (b) The registered office of Ajax Meadows is located at 1235 Queensway East, 17a, Mississauga, Ontario;
- (c) Ajax Meadows acquired the Mortgaged Property with a view to construct twenty-seven (27) townhomes and a one-story commercial plaza with a total gross floor area of approximately 59,600 square feet;
- (d) Vector Financial Services Limited (“**Vector**”) has made available certain credit facilities to Ajax Meadows pursuant to a commitment letter dated as of October 6, 2022 between Vector, as administrator for and on behalf of Vector and the RRSP & RRIF Investors with investments held at Olympia Trust Company (the “**Lenders**”), Ajax Meadows, as borrower, and Sameer Khan (the “**Guarantor**”), as guarantor (the

“**Original Commitment Letter**”), as amended by a commitment letter amendment dated as of October 28, 2022, and a commitment letter amendment #2 dated as of October 18, 2023 (collectively, the “**Commitment Letter**”);

- (e) Pursuant to the Commitment Letter, the Lenders agreed to advance the principal amount of \$4,000,000 to Ajax Meadows;
- (f) Pursuant to the Commitment Letter, Ajax Meadows provided the Lenders with a first charge/mortgage against the lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT) (the “**Mortgaged Property**”) in the principal amount of \$4,000,000 (the “**Vector Charge / Mortgage**”) and a general security agreement in respect of all of the personal property of Ajax Meadows relating to the Mortgaged Property (the “**GSA**”);
- (g) In light of, among other things, Ajax Meadows’s failure to repay the Indebtedness (as defined below) to Vector when due on November 10, 2023 (the “**Maturity Date**”), Vector issued a formal demand letter on February 23, 2024 demanding repayment of all amounts owing under the Commitment Letter (the “**Demand Letter**”). The Demand Letter additionally enclosed a notice of intention to enforce security pursuant to section 244 of the BIA (the “**NITES**”) for Ajax Meadows;
- (h) The statutory notice period provided for under the BIA and outlined in the Demand Letter and the NITES has expired;

- (i) Under the terms and conditions of each of the Vector Charge / Mortgage and the GSA, as applicable, Ajax Meadows agreed that Vector would have the ability to appoint a receiver over the Mortgaged Property should Ajax Meadows be in breach of the Commitment Letter;
- (j) It is just and convenient, at this time, for the Court to appoint a receiver over the Mortgaged Property;
- (k) Those other grounds set forth in the Affidavit of Mitchell Oelbaum, to be sworn (the **“Oelbaum Affidavit”**);
- (l) The provisions of the BIA, including Section 243;
- (m) Section 101 of the CJA;
- (n) Rules 1.04, 3.02, 16.08, and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, c. C.43; and
- (o) Such further and other grounds as counsel may advise and this Honourable Court permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Application:

- (a) The Oelbaum Affidavit and the exhibits thereto; and
- (b) Such further material as counsel may advise and this Honourable Court may permit.

Date: April 11, 2024

**GOWLING WLG (CANADA) LLP**  
Barrister and Solicitors  
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**Lawyers for the Applicant**

Court File No.

**VECTOR FINANCIAL SERVICES LIMITED**

- and - **AJAX MEADOWS LTD.**

Applicant

Respondent

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

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

PROCEEDING COMMENCED AT TORONTO

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**NOTICE OF APPLICATION**

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**GOWLING WLG (CANADA) LLP**

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*Lawyers for the Applicant*



**TAB 2**

Court File No. CV-24-00718243-00CL

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

BETWEEN:

**VECTOR FINANCIAL SERVICES LIMITED**

Applicant

- and -

**AJAX MEADOWS LTD.**

Respondent

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

**AFFIDAVIT OF MITCHELL OELBAUM  
(Sworn April 11, 2024)**

I, **MITCHELL OELBAUM** of the city of Toronto, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President of the Applicant, Vector Financial Services Limited (“**Vector**”). As a result, I have personal knowledge of the matters to which I hereinafter depose save and except where I refer to matters based on information and belief, in which case I verily believe that information to be true. Where the information set out in this affidavit is based upon information that I have received from others, I have stated the source of that information and believe it to be true.

2. This affidavit is sworn in support of an application by Vector to the Ontario Superior Court of Justice [Commercial List] (the “**Court**”) for an Order (the “**Appointment Order**”) appointing TDB Restructuring Limited (“**TDB**”) as receiver (in such capacity, the “**Receiver**”) of the lands and premises

legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT) (“**Mortgaged Property**”) owned by Ajax Meadows Ltd. (“**Ajax Meadows**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3 (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C43 (the “**CJA**”).

3. As will be further explored below, Vector is seeking the Appointment Order on the basis, among other things, that:

- (a) Ajax Meadows failed to repay the Lenders on the Maturity Date (as defined below);
- (b) Under the terms and conditions of the security held by the Lenders, Ajax Meadows agreed that Vector would have the ability to appoint a receiver should Ajax Meadows be in breach of the Commitment Letter (as defined below); and
- (c) The appointment of a receiver over the Mortgaged Property will create a transparent marketing process for the sale of the Mortgaged Property and a clear way forward for the repayment of amounts owed to Ajax Meadows’s stakeholders.

## **I. DESCRIPTION OF THE PARTIES**

4. Vector is a private mortgage broker, lender, and administrator in the business of originating and administering mortgage loans in Ontario. Mortgage loans originated by Vector are funded by a combination of outside investors, including through registered savings plans (the “**RRSP & RRIF Investors**”) held at Olympia Trust Company (“**Olympia**”) and by its existing shareholder group (and related companies).

5. Ajax Meadows is a private company incorporated pursuant to the *Business Corporations Act* (Ontario) R.S.O. 1990, c. B.16.

6. According to a corporate profile report (the “**Corporate Profile Report**”) obtained from the provincial ministry with a file currency date of February 22, 2024, the registered and head office of Ajax Meadows is 1235 Queensway East, 17a, Mississauga, Ontario. Attached hereto and marked as [Exhibit “A”](#) is a true copy of the Corporate Profile Report.

## **II. DESCRIPTION OF THE BUSINESS OF AJAX MEADOWS**

7. Ajax Meadows is a real estate holding company. My understanding is that its sole significant asset is the Mortgaged Property.

8. The Mortgaged Property is vacant parcel of land located at the southeast corner of Rossland Road West and Harkins Drive in the town of Ajax, Ontario. Ajax Meadows acquired the Mortgaged Property with a view to construct twenty-seven (27) townhomes and a one-story commercial plaza with a total gross floor area of approximately 59,600 square feet (the “**Development**”).

9. It is my understanding that as of the date hereof, construction of the Development has not commenced in any material fashion.

## **III. THE COMMITMENT LETTER**

10. The Lenders (as defined below) made available certain credit facilities to Ajax Meadows pursuant to a commitment letter dated as of October 6, 2022 between Vector, as administrator for and on behalf of Vector and the RRSP & RRIF Investors with investments held at Olympia (collectively, the “**Lenders**”), Ajax Meadows, as borrower and Sameer Khan (“**Mr. Khan**”), as guarantor (the “**Original Commitment Letter**”). The Original Commitment Letter was subsequently amended by a commitment

letter amendment dated as of October 28, 2022 (the “**First Amendment**”), and a commitment letter amendment #2 dated as of October 18, 2023 (the “**Second Amendment**”, and together with the Original Commitment Letter and the First Amendment, the “**Commitment Letter**”). Attached hereto and marked as [Exhibit “B”](#) is a true copy of the Commitment Letter.

11. Pursuant to the Commitment Letter, the Lenders advanced the principal amount of four million dollars (\$4,000,000) to Ajax Meadows.

12. As security for its indebtedness and liability to the Lenders pursuant to the Commitment Letter, among other things, Ajax Meadows provided Vector with the following security:

- (a) a first charge/mortgage against the Mortgaged Property in the principal amount of \$4,000,000 (the “**Vector Charge / Mortgage**”); and
- (b) a general security agreement in respect of all of the personal property of Ajax Meadows related to the Mortgaged Property dated as of November 24, 2022 (the “**GSA**” together with the Vector Charge/Mortgage, the “**Security**”).

Attached hereto and marked as [Exhibits “C”](#) and [“D”](#) respectively are true copies of the Vector Charge / Mortgage and the GSA.

#### REGISTRATIONS AGAINST THE MORTGAGED PROPERTY

13. Prior to advancing funds under the Commitment Letter, Vector registered the Vector Charge / Mortgage with the Land Registry Office in Ontario. Attached hereto and marked as [Exhibit “E”](#) is a true copy of the title search obtained against the Mortgaged Property with a file currency date of April 8, 2024 (the “**Title Search**”).

14. I have been advised by Gowling WLG (Canada) LLP (“**Gowling WLG**”), that the Title Search confirms that the Vector Charge / Mortgage is a first ranking charge / mortgage against the Mortgaged Property.

15. The Title Search additionally indicates that there is a subordinate, second ranking charge/ mortgage registered against title to the Mortgaged Property in the principal amount of \$1,000,000 in favour of 2439656 Ontario Inc. and Max Capital Corp. (collectively, the “**Subordinate Mortgagee**”) (the “**Subordinate Charge/ Mortgage**”). The Subordinate Charge/ Mortgage is subject to a subordination and standstill agreement dated as of February 15, 2023 between Ajax Meadows, as borrower, the Lenders, as prior lender and the Subordinate Mortgagee, as subordinate lender (the “**Subordination Agreement**”). Attached hereto and marked as [Exhibit “F”](#) is a true copy of the charge instrument registered in respect of the Subordinate Charge/ Mortgage against title to the Mortgaged Property. Attached hereto and marked as [Exhibit “G”](#) is a true copy of the Subordination Agreement.

#### REGISTRATIONS UNDER THE PPSA

16. Vector has also registered its security interest in Ajax Meadows’s personal property with the provincial registry maintained under the *Personal Property Security Act* (Ontario) R.S.O. 1990, c. P.10 (the “**PPSA**”). Attached hereto and marked as [Exhibit “H”](#) is a true copy of an Ontario PPSA search against Ajax Meadows with a file currency date of February 21, 2024 (the “**PPSA Search**”).

17. I have been further advised by Gowling WLG, that the PPSA Search confirms that Vector has a security interest over all of the personal property of Ajax Meadows in respect of the Mortgaged Property, and that, as of the currency date of the PPSA Search, no other parties have registered financing statements against Ajax Meadows pursuant to the PPSA.

#### IV. FINANCIAL DIFFICULTIES OF AJAX MEADOWS

18. When the parties entered into the Commitment Letter, the Lenders and Ajax Meadows originally contemplated that the Indebtedness (as defined below) would be repayable by no later than November 10, 2023 (the “**Maturity Date**”).

19. On November 10, 2023, Ajax Meadows breached the Commitment Letter by failing to remit payment to the Lenders on the Maturity Date (the “**November 2023 Payment Default**”).

20. Notwithstanding the passage of the Maturity Date and the occurrence of the November 2023 Payment Default, the Lenders agreed to informally forbear from demanding on the loan for a limited period of time, in its discretion, provided that interest was kept current at the Step-Up Rate (as defined in the Commitment Letter).

21. One month later, on December 10, 2023, Ajax Meadows once again breached the Commitment Letter by failing to remit a monthly interest payment to Vector when due (the “**December 2023 Payment Default**”). Attached hereto and marked as [Exhibit “I”](#) is a true copy of a default notice issued by Vector to Ajax Meadows dated as of December 15, 2023, advising Ajax Meadows of the December 2023 Payment Default (the “**December 2023 Default Notice**”).

22. Despite the occurrence of the December 2023 Payment Default, the Lenders remained patient with Ajax Meadows, and continued to informally forbear from demanding on the loan, once again, provided that interest was kept current at the Step-Up Rate (as defined in the Commitment Letter).

23. Notwithstanding these accommodations, on February 10, 2023, Ajax Meadows, for a third time, breached the Commitment Letter by failing to remit a monthly interest payment (the “**February Interest Payment**”) to Vector when due (the “**February 2024 Payment Default**”). As a result of the February 2024 Payment Default, on February 20, 2024, Vector, through its counsel, sent an email to Ajax Meadows

and its counsel (the “**February 20 Email**”), reminding Ajax Meadows that (i) the Maturity Date under the Commitment Letter had lapsed, and (ii) that Ajax Meadows had breached the Commitment Letter (and the condition of the Lenders’ informal forbearance) as a result of the February 2024 Payment Default. The February 20 Email additionally informed Ajax Meadows of the Lenders’ intention to take enforcement steps should Ajax Meadows fail to remit the February Interest Payment to Vector immediately. Attached hereto and marked as [Exhibit “J”](#) is a true copy of the February 20 Email.

24. Ajax Meadows did not remit payment of the February Interest Payment in accordance with the February 20 Email. Accordingly, on February 23, 2024, Vector through its enforcement counsel, Gowling WLG, issued a formal demand letter to Ajax Meadows and Mr. Khan, demanding repayment of all amounts owing under the Commitment Letter (the “**Demand Letter**”). The Demand Letter additionally enclosed a notice of intention to enforce security pursuant to section 244 of the BIA (the “**NITES**”). Attached hereto and marked as [Exhibit “K”](#) is a true copy of the Demand Letter and the NITES, enclosing an email correcting a date reference noted in the Demand Letter.

25. On February 26, 2024, Vector, through its counsel, sent a courtesy copy of the Demand Letter and NITES to counsel to the Subordinate Mortgagee. I have been advised by Gowling WLG that, following delivery of this correspondence, counsel to the Subordinate Mortgagee advised that Ajax Meadows was also in default under its loan agreement with the Subordinate Mortgagee.

26. Following delivery of the Demand Letter and NITES, counsel to Ajax Meadows advised Gowling WLG that Ajax Meadows intended to remit payment of the February Interest Payment in the following week (i.e. between February 26 – March 1, 2024). On March 7, 2024, Gowling WLG followed up with counsel to Ajax Meadows with respect to the status of the February Interest Payment. Attached hereto



and marked as Exhibit “L” are true copies of email correspondence between Gowling WLG and counsel to Ajax Meadows between February 23 – March 7, 2024.

27. The February Interest Payment has not been remitted to Vector, and the Borrower has additionally failed to remit monthly interest payments when due in the months of March and April.

28. On or around March 18, 2024, it came to Vector’s attention, that Ajax Meadows had entered into an agreement of purchase and sale in respect of the Mortgaged Property (the “APS”), the proceeds of which were to be used to repay the Indebtedness owing to the Lenders and the Subordinate Mortgagee. The existence of the APS was not brought to Vector’s attention by Ajax Meadows or its counsel, and was only discovered through Gowling WLG’s discussions and correspondence with counsel to the Subordinate Mortgagee. Additionally, the APS contained a number of conditions that needed to be satisfied before any closing could occur in accordance with its terms.

29. Around March 28, 2024, Vector was advised by Ajax Meadows that the transaction contemplated by the APS had fallen apart and was no longer moving forward. In light of this development, it does not appear that Ajax Meadows has any plan in place to allow for the repayment of the Indebtedness owing to the Lenders in the short term.

30. In addition, and based on discussions held between representatives of Vector including myself and Mr. Khan, it is Vector’s view that Ajax Meadows has an unrealistic perception of the value of the Mortgaged Property, which will frustrate any attempts by Ajax Meadows to either sell the Mortgaged Property (pursuant to the APS or otherwise) or refinance the Indebtedness in the near term.

**V. CONCLUSION AND NEED FOR THE APPOINTMENT OF A RECEIVER**

31. As of the date the Demand Letter was issued, Ajax Meadows was indebted to the Lenders in the approximate amount of \$4,131,224.65 (the amount owing from time to time, the “**Indebtedness**”). The Indebtedness has not been repaid and continues to accumulate interest and fees since that date.

32. As set out above, the Maturity Date under the Commitment Letter expired on November 10, 2023.

33. The statutory notice period provided for under the BIA and outlined in the Demand Letter and the NITES has expired.

34. Under the terms and conditions of each of the Vector Charge / Mortgage and the GSA, Ajax Meadows agreed that the Lenders would have the ability to appoint a receiver over the Mortgaged Property should Ajax Meadows be in breach of its obligations to the Lenders. Having failed to repay the Indebtedness in full on the Maturity Date, Ajax Meadows is in breach of its obligations to the Lenders.

35. I am not aware of Ajax Meadows having any sources of funding available to it sufficient to satisfy the Indebtedness in the near term and, Ajax Meadows has, to my knowledge, not entered into any type of transaction that will allow it to repay the Indebtedness.

36. Despite a history of breaches under the Commitment Letter, Vector has been patient with Ajax Meadows. At this time however, Vector has lost faith in Ajax Meadows’s ability to repay the Indebtedness in the near term, and its investors can no longer be in a state of limbo, with no near term prospect of repayment.

37. I should note that in my view, pursuing a private sale is not a practical way forward in light of what appear to be competing views on the realistic value of the Mortgaged Property. In this type of situation, I believe it important that the lands be marketed and sold in a transparent and objective manner

that properly tests the market under Court supervision. This type of a process, will properly balance expediency and the maximization of recovery for all stakeholders.

38. If this Honourable Court sees fit to make such an appointment, TDB has consented to act as Court-appointed receiver. TDB is a Licensed Insolvency Trustee and has significant experience in real estate receiverships. Attached hereto and marked as Exhibit "M" is a copy of TDB's Consent to Act as receiver.

39. This Affidavit is sworn in support of Vector's Application for the Appointment Order and for no other or improper purpose.

**SWORN BEFORE ME VIA VIDEOCONFERENCE**, the affiant being located in the City of Toronto in the Province of Ontario and the Commissioner being located in the City of Toronto in the Province of Ontario on April 11, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



DocuSigned by:  
*Katherine Yurkovich*  
BE136400C72D4E9

Commissioner for Taking Affidavits  
(or as may be)

DocuSigned by:  
*Mitchell Oelbaum*  
62FDC66C5EE94A4...

**Mitchell Oelbaum**

**THIS IS EXHIBIT "A"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BE136400C72D4E9

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A commissioner for taking affidavits



Ministry of Public and  
Business Service Delivery

## Profile Report

AJAX MEADOWS LTD. as of February 22, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	AJAX MEADOWS LTD.
Ontario Corporation Number (OCN)	2791022
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	November 10, 2020
Registered or Head Office Address	1235 Queensway East, 17a, Mississauga, Ontario, Canada, L4Y0G4

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

A handwritten signature in black ink, appearing to read "V. Quintanilla W.", written over a light blue horizontal line.

Director/Registrar

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

**Active Director(s)**

**Minimum Number of Directors** 1  
**Maximum Number of Directors** 10

**Name** SAMEER KHAN  
**Address for Service** 56 Annie Craig Drive, 2601, Etobicoke, Ontario, Canada, M8V 0C8  
**Resident Canadian** Yes  
**Date Began** November 10, 2020

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

*V. Quintanilla W.*

Director/Registrar

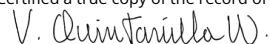
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**Active Officer(s)**

<b>Name</b>	SAMEER KHAN
<b>Position</b>	Secretary
<b>Address for Service</b>	56 Annie Craig Drive, 2601, Etobicoke, Ontario, Canada, M8V 0C8
<b>Date Began</b>	November 10, 2020

<b>Name</b>	SAMEER KHAN
<b>Position</b>	President
<b>Address for Service</b>	56 Annie Craig Drive, 2601, Etobicoke, Ontario, Canada, M8V 0C8
<b>Date Began</b>	December 31, 2021

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



Director/Registrar

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### Corporate Name History

Name

AJAX MEADOWS LTD.

Effective Date

November 10, 2020

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*V. Quintanilla W.*

Director/Registrar

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### Active Business Names

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

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

*V. Quintanilla W.*

Director/Registrar

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### Expired or Cancelled Business Names

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

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

*V. Quintanilla W.*

Director/Registrar

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

## Document List

Filing Name	Effective Date
Annual Return - 2022 PAF: Sameer KHAN	February 12, 2024
Annual Return - 2021 PAF: Sameer KHAN	November 25, 2022
Annual Return - 2021 PAF: Sameer KHAN	November 25, 2022
CIA - Notice of Change PAF: Sameer KHAN	February 14, 2022
CIA - Notice of Change PAF: Sameer KHAN	January 25, 2022
BCA - Articles of Amendment	December 29, 2021
CIA - Notice of Change PAF: LENE0 E. SDAO - OTHER	March 12, 2021
CIA - Initial Return PAF: LENE0 E. SDAO - OTHER	December 16, 2020
BCA - Articles of Incorporation	November 10, 2020

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

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

*V. Quintanilla W.*

Director/Registrar

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**THIS IS EXHIBIT "B"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

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A commissioner for taking affidavits

**COMMITMENT LETTER**

October 6<sup>th</sup>, 2022

Ajax Meadows Ltd.  
c/o Murray & Company  
40 University Avenue, Suite 502  
Toronto, ON, M5J 1S3

**Attention: Sameer Khan and Raj Joshi**

Dear Sirs,

Re: **VECTOR FINANCIAL SERVICES LIMITED** mortgage loan to **Ajax Meadows Ltd.** upon the security of all property and assets comprising vacant land at Rossland Road West and Harkins Drive as formally described in "Schedule E".  
**Vector Reference No. 22-39**

We are pleased to submit herewith our agreement to provide mortgage financing (herein called the "**Loan**") for the Property (as defined herein), subject to receipt and satisfactory review by the Lender (as defined herein) of all deliveries and information required herein, and upon and subject to the terms and conditions set out in this letter and accompanying schedules (herein called this "**Commitment**"). This Commitment shall be read in conjunction with the Loan Documents (as defined in Section 22). In the event of any inconsistency between the terms of this Commitment and the terms of any of the Loan Documents, the Lender shall decide, in its sole discretion and at its option, which shall prevail.

Each Borrower Entity (as defined herein) acknowledges and agrees that the provisions of this Commitment shall constitute a binding and enforceable agreement amongst the Lender and each Borrower Entity made for valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each Borrower Entity). It shall be enforceable by the Lender against each Borrower Entity who shall be jointly and severally liable for the obligations and liabilities set out in this Commitment.

1. **LENDER** (the "**Lender**" or "**Vector**):

Vector Financial Services Limited in trust for a group of lenders its successors and assigns in its capacity as Lender and not as Administrator.

2. **ADMINISTRATOR** (the "**Administrator**):

Vector Financial Services Limited its successors and assigns in its capacity as Administrator and not as Lender.

3. **BORROWER(S)** (individually and collectively, the "**Borrower**):

Ajax Meadows Ltd.



4. **BENEFICIAL OWNER(S)** (individually and collectively, the “**Beneficial Owner**”):

The Borrower is the nominee and bare trustee of the Property for and on behalf of the beneficial owner(s) listed below, and the Property is not recorded as an asset of the Borrower on its financial statements.

Beneficial Owner(s): **TBD**

5. **GUARANTOR(S)** (individually and collectively, the “**Guarantor**”):

Sameer Khan

Each of the Borrower, Beneficial Owner, and Guarantor(s), individually and collectively, shall be known as the “**Borrower Entity**”,

6. **WAIVER OF CONDITIONS:**

In addition to any other conditions set out in this Commitment, the Loan and the Lender’s obligation to make the initial advance of the Loan are subject to the review and approval by the Lender in its sole discretion of the Pre-Funding Deliverables outlined in Section 23 below. Any such approval by the Lender shall be issued and communicated by the Lender to the Borrower in writing and is herein called the “**Waiver of Conditions**”. The Waiver of Conditions may be issued upon terms and conditions which are not materially different from those set out in this Commitment, or upon terms and conditions which are materially different from those set out in this Commitment but previously agreed to by the Lender and Borrower. It is also agreed that a change of the Scheduled Closing Date (as defined herein) and/or the Expiry Date shall not be material. For greater clarity, it is acknowledged and agreed, that the Lender has no obligation to issue a Waiver of Conditions.

7. **LOAN AMOUNT** (the “**Loan Amount**” or “**Principal Amount**”):

FOUR MILLION NINE HUNDRED THOUSAND DOLLARS (\$4,900,000)

8. **PURPOSE OF LOAN & EXIT:**

(a) The Loan will be used to refinance the development of the real property formally described in Schedule ‘E’ (individually and collectively, the “**Property**”), which includes all related buildings, improvements, leases, rents, equipment, surveys, plans, development plans, agreements, permits, and other personal property of every nature and kind):

(b) The proposed development of the Property will include the construction of 27 townhomes and a one-storey commercial plaza with a total Gross Floor Area of approximately 59,600 square feet (the “**Project**”). The current zoning classification is Neighbourhood Commercial (NC),



## (c) Uses and Sources of Funds:

	<b>Total</b>	<b>Initial Advance</b>	<b>Subsequent Advance(s)</b>
<b>Uses of Funds:</b>			
Refinance Subject Property	\$3,603,000	\$3,603,000	\$-
Soft Cost Reserve	\$753,650	\$254,650	\$499,000
Interest Reserve (7 + 2 months)	\$371,000	\$275,000	\$96,000
Broker Fee – Murray & Co	\$49,000	\$49,000	\$-
Broker Fee – Behar Group	\$7,350	\$7,350	\$-
Lender Fees	\$86,000	\$86,000	\$-
Legals & Closing (est.)	\$30,000	\$25,000	\$5,000
<b>TOTAL</b>	<b>\$4,900,000</b>	<b>\$4,300,000</b>	<b>\$600,000</b>
<b>Sources of Funds:</b>			
Vector Loan	\$4,900,000	\$4,300,000	\$600,000
<b>TOTAL</b>	<b>\$4,900,000</b>	<b>\$4,300,000</b>	<b>\$600,000</b>

(d) The Loan shall be repaid out of the sale or refinancing of the Property.

9. **LOAN PRIORITY:**

Except as otherwise expressly provided herein, the Loan and all Loan Documents shall rank in **first priority** to or in respect of the interests of the Borrower Entity and, all other mortgagees and all other persons having any interest in the Property.

No subordinate financing to the Loan or subsequent encumbrance of the Property shall be permitted without the prior written consent of the Lender. The Borrower shall disclose to the Lender all existing or proposed financing related to the Project and shall not pledge or otherwise encumber its interest in any Properties or the Loan Documents to any party other than the Lender without the prior written consent of the Lender. This clause shall remain in effect for the term of the Loan. In the event of default under this clause, the Borrower consents that it shall be responsible for an amount of \$100,000, which will be added to the Loan Amount and collected at repayment of the Loan.



10. **CLOSING:**

The actual date upon which the full advance or Initial Advance (as herein defined) of the Loan occurs is called the “**Initial Advance Date**”, the “**Closing Date**”, “**Closing**” or other similar reference. As required by the context, “**Closing**” also means the successful completion of the Loan and the full or Initial Advance thereunder as the case may be.

The Closing shall occur on **October 31<sup>st</sup>, 2022** unless, prior thereto, the Borrower and the Lender agree in writing (which may be evidenced by one or more emails from or between the Borrower and/or the Lender and/or their respective solicitors) that the Closing shall occur on some other date. The date set out in this paragraph or such other date, is called the “**Scheduled Closing Date**”.

Each Borrower Entity acknowledges that the Loan may be syndicated by the Lender to one or more co-lenders, who will provide the Lender, prior to the Scheduled Closing Date, their respective shares of advances to be made under the Loan with the expectation that the Closing shall occur and that interest shall accrue from and after the Scheduled Closing Date. Each Borrower Entity acknowledges and agrees that interest shall accrue from and after the Scheduled Closing Date on the Loan Amount notwithstanding that, in order to comply with all of the terms and conditions of the Commitment, the actual Closing may not occur until after the Scheduled Closing Date.

The Closing shall take place no later than **November 17, 2022** or such other date as agreed in writing by the Borrower and the Lender (the “**Expiry Date**”). Unless extended by an agreement in writing, this Commitment shall terminate at 5:00 p.m. EST on the Expiry Date, and the Lender shall have no obligation to make the full or Initial Advance of the Loan after such time.

11. **TERM & MATURITY:**

All Loan indebtedness shall become due and repayable in full on the 10<sup>th</sup> day of the month which is **13** calendar months after the Interest Adjustment Date (the “**Maturity Date**”).

Provided an Event of Default (defined herein) has not occurred and has never occurred during the Term, at the Lender’s sole and unfettered discretion, and upon payment of an extension fee equal to 0.50% of the outstanding Loan Amount (for each extension) (the “**Extension Fee**”), the Borrower shall have one (1) option to extend the Term for an additional six (6) months beyond the Maturity Date (the “**Extension Options**”). In the event that the Extension Option is exercised, the Maturity Date shall be revised to the 10<sup>th</sup> day of the month, which is 19 calendar months after the IAD. No additional options to extend shall be provided by the Lender other than those contained in this section.

12. **INTEREST ADJUSTMENT DATE** (the “**Interest Adjustment Date**” or “**IAD**”)

The 10<sup>th</sup> day of the month next following the Closing Date.





13. **STEP-UP DATE (the “Step-Up Date”):**

The 10th day of the first calendar month immediately prior to the Maturity Date, or such earlier date as may be established pursuant to the Borrower’s election for prepayment pursuant to Section 17 hereof.

14. **INTEREST RATE (the “Interest Rate”):**

For the period from and including the Scheduled Closing Date to and including the day immediately preceding the Step-Up Date, the greater of: (i) **10.95%** per annum, and (ii) the Prime Rate plus **5.50%**; and

From and after the Step-Up Date and until the Loan indebtedness is repaid in full, the Interest Rate shall be the greater of: (i) 14.00%, and (ii) the Prime Rate plus 8.55% (the **“Step Up Rate”**).

**“Prime Rate”** means the Prime Rate of interest announced from time to time by Canadian Imperial Bank of Commerce at its head office in Toronto, Ontario as a reference rate for determining interest rates on Canadian dollar commercial loans in Canada.

Each Borrower Entity acknowledges and agrees that the Step-Up Rate occurs solely by passage of time, and not as the result of the occurrence of any default or event of default.

The Interest Rate(s) shall be adjusted with fluctuations in the Prime Rate on the next business day following a change in the Prime Rate.

15. **AMORTIZATION:**

Not applicable (interest only loan).

16. **PAYMENT DATE:**

Interest payments are due monthly, on the 10<sup>th</sup> day of each month (or on the following business day if the 10<sup>th</sup> day of any month is not a business day) (herein called the **“Payment Date”**). Interest is calculated daily (on the basis of 360 days/year), not in advance, and compounded monthly on each Payment Date on the total of the Principal Amount plus any accrued interest outstanding on the Payment Date.

17. **PREPAYMENT:**

The Loan is closed and not open for prepayment in whole or in part prior to the 10<sup>th</sup> day of the sixth (6<sup>th</sup>) month after the IAD. 

When not in default, and upon giving the Lender not less than 30 days prior written notice of the Borrower’s intended date to do so (the **“Notice”**), and **upon payment of an additional 1-month’s interest**, the Borrower may, between the 20<sup>th</sup> and 31<sup>st</sup> of the sixth (6<sup>th</sup>) month following the IAD, prepay the whole (but not part) of the then outstanding Principal Amount plus (i) all accrued, unpaid and compound interest calculated to and including the date of prepayment, plus (ii) all costs and expenses then



due and payable to the Lender under the Loan Documents (as defined herein). From and after the giving such notice, the date of such prepayment selected by the Borrower shall become the Prepayment Date. In the event that repayment is not made after giving Notice, the entire Loan indebtedness shall become due and payable forthwith at the option of and upon demand by the Lender, together with an additional 1 months interest at the Step-Up Rate.

18. **PARTIAL DISCHARGES:**

No partial discharges shall be permitted.

19. **LOAN FEES, BROKERAGE FEES AND DISBURSEMENTS:**

As consideration for the time, effort, and expense incurred by the Lender, its officers and employees in reviewing the financial and other information, plans, development proposals, materials and other documents, and undertaking the investigations, inspections and other due diligence necessary to prepare and approve this Commitment, each Borrower Entity jointly and severally agrees to pay to the Lender the amount of **\$86,000** (the **“Commitment Fee”**) as follows:

- (a) **\$30,000** (the **“Earnest Fee”**) payable upon acceptance of this Commitment (and in respect of which the Lender acknowledges receipt of \$5,000 as a non-refundable deposit toward the Earnest Fee), subject to the following:
  - (i) if the documents and information submitted by the Borrower are determined by the Lender to be materially different than as originally represented, or if the Borrower fails to provide all documents and information as reasonably requested by the Lender to substantiate the Borrower's original representations to the Lender, the Earnest Fee shall be retained by the Lender even if it declines to issue the Waiver of Conditions;
  - (ii) if the Lender issues the Waiver of Conditions upon terms and conditions which are not materially different from those set out in this Commitment (and it is agreed that a change of the Scheduled Closing Date and/or the Expiry Date shall not be material), or upon terms and conditions which are materially different from those set out in this Commitment and which each Borrower Entity has accepted, the Earnest Fee shall be retained by the Lender; and
- (b) the balance of the Commitment Fee in the amount of **\$56,000** shall be deemed earned after issuance by the Lender of the Waiver of Conditions upon terms and conditions which are not materially different from those set out in this Commitment (and it is agreed that a change of the Scheduled Closing Date and/or the Expiry Date shall not be material) or upon terms and conditions which are materially different from those set out in this Commitment and which each Borrower Entity has accepted. This amount shall be deducted from the Initial Advance or payable at the time of and on the Expiry Date, whichever shall first occur.



For greater clarity, if the Lender issues the Waiver of Conditions upon substantially the same terms and conditions as this Commitment, or upon terms and conditions which are materially different from those set out in this Commitment and which each Borrower Entity has accepted, and any Borrower Entity defaults under this Commitment prior to the full or Initial Advance or elects not to draw down on the Loan or any part thereof, or if the full or Initial Advance does not occur for any other reason through no fault of the Lender, the Earnest Fee shall be retained by the Lender and the balance of the Commitment Fee in clause (b) above as well as an amount equal to 6-months of Interest on the Loan, shall be deemed earned, due and payable forthwith to the Lender by each Borrower Entity, who shall each be jointly and severally liable for the same.

The Borrower, and not the Lender, shall be responsible for payment of any brokerage or finder's fees, commissions or other compensation, plus applicable taxes (collectively, the "**Brokerage Fees**") payable to Murray & Company Limited and The Behar Group Realty Inc. (the "**Mortgage Broker**") or any other person not affiliated with or contracted by the Lender in connection with the Loan and shall indemnify and hold the Lender and all related entities harmless in respect of same. The Commitment Fee does not include the Brokerage Fees. Such Brokerage Fees will have an impact on the total cost of borrowing and the Borrower acknowledges Brokerage Fees in the amount of **\$56,350** and hereby irrevocably authorizes and directs the Lender to deduct the Brokerage Fees from the Initial Advance and pay the same to the Mortgage Broker at Closing.

The Borrower acknowledges and agrees to pay, in addition to all other fees and costs described in Section 19, the disbursements and fees, listed on "**Schedule A**" attached hereto.

Whether or not the transaction contemplated herein is successfully completed, the Borrower agrees to pay, the reasonable legal fees and disbursements of the Lender's legal counsel, **Jonathan Freeman of Cassels, Brock and Blackwell LLP**, or such other legal counsel appointed by the Lender at any time (the "**Lender's Solicitors**"), for all customary or extraordinary legal services required by the Lender in connection with the Loan. The Borrower acknowledges that the Lender may engage its legal counsel upon signing of this Commitment Letter and they shall be responsible for same.

## 20. **LOAN ADMINISTRATION AND SPECIAL SERVICING FEES:**

Each Borrower Entity acknowledges and agrees that after Closing and at all times following the occurrence of any Event of Default (as defined in the Loan Documents including the failure to repay the Principal Amount by the Maturity Date), the Borrower will pay to the Administrator Default Administration Fees as defined in 'Schedule A' attached.

If the Borrower fails to repay the Principal Amount on the Maturity Date, the Borrower shall pay to the Administrator an amount calculated at a rate of 0.25% per month multiplied by the then-outstanding Principal Amount for each month the Loan remains unpaid (the "**Special Servicing Fee**").

Each Borrower Entity further acknowledges and agrees that Default Administration Fees and Special Servicing Fees are fair and commercially reasonable costs and



expenses incurred by the Administrator in connection with the Loan and do not constitute a fine, penalty, or default interest charged on arrears of principal or interest. Until paid by the Borrower to the Administrator all amounts payable on account of such fees (plus applicable taxes if any) will be costs within the meaning of the Loan Documents, and together with interest thereon at the applicable Interest Rate will be added to the Loan indebtedness monthly on the first day of the Lender's billing cycle and will be secured by the Loan Documents.

21. **ADVANCES:**

On the Closing Date, the amount of **\$4,300,000** (the "**Initial Advance**") will be advanced to or for the benefit of the Borrower as follows:

- (a) the amount of **\$56,000** will be deducted and paid to the Lender on account of the outstanding balance of the Commitment Fee;
- (b) the amount of **\$56,350** will be deducted and paid to the Mortgage Broker on account of Brokerage Fees;
- (c) the amount of **\$529,650** will be deducted and retained by the Lender or the Lender's Solicitors on account of the following loan reserve(s) (individually and collectively called the "**Loan Reserve**"):
  - (i) the amount of **\$275,000** as and on account of an interest reserve (the "**Interest Reserve**") to be used to fund the first seven (7) months of interest coming due under the Loan; and
  - (ii) the amount of **\$254,650** as and on account of a reserve to be used to pay future arm's length soft costs related to the Project (the "**Soft Costs Reserve**") which will be released to the Borrower in accordance with the budget of such costs as provided by the Borrower and approved by the Lender or its consultant(s) retained for such purpose before the Closing Date. Upon receipt of satisfactory evidence that such costs (excluding HST) have been incurred for the benefit of the Project, the Lender shall have up to 5 business days to process and remit a payment to the Borrower subject to the costs or disbursements listed on 'Schedule A' attached.

The Borrower shall acknowledge that the Loan Reserve shall be deemed to have been fully advanced by the Lender to the Borrower and shall bear interest from and after the date of the Initial Advance at the Interest Rate(s) as set out in the Loan Documents. The Loan Reserve, together with any interest earned thereon, shall be pledged by the Borrower to the Lender as security for the Loan. All interest earned on the Loan Reserve shall be for the benefit of the Lender and the Lender shall not be required to separately account for these amounts to the Borrower. In the event the Loan is in default, the Lender shall be entitled to utilize and apply, as determined by the Lender in its sole discretion, all or any part of the Loan Reserve toward payment of principal, interest, costs, and other monies owing under the Loan. To the extent that the Loan Reserve has been depleted while any part of the Loan indebtedness remains outstanding, each Borrower Entity will jointly and severally undertake to immediately replenish



the Loan Reserve accordingly, and failure to do so shall constitute a default under the Loan.

- (d) the balance in the amount of **\$3,658,000** (after deducting an amount for 'Schedule A' related closing costs and interest from the Closing Date to the IAD) will be remitted to the Lender's Solicitors for the benefit of the Borrower to pay for closing costs (including outstanding realty taxes, and legal costs), refinancing of the Property, soft costs, development costs and other costs pursuant to the provisions set out herein. See Section 8c above for a list of costs to be funded on closing.

The balance of the Loan Amount will be advanced and forwarded to the Lender's Solicitors in accordance with the following schedule (each a "**Subsequent Advance**"):

<b>Date or Project Milestone</b>	<b>Subsequent Advance</b>
<b>Upon full depletion of Interest Reserve or 7 months post initial funding. Future releases to the Borrower are to be supported by invoices or cost-consultant report prior to release</b>	\$600,000
<b>Total</b>	<b>\$600,000</b>

The above schedule of Subsequent Advance(s) is subject to change until the date of the Initial Advance following which the above schedule is subject to change only with the Lender's written consent.

**Notwithstanding any other provision herein, any Subsequent Advance(s) shall be outstanding for not less than 4 months.**

The Borrower acknowledges that each Subsequent Advance(s) is deemed to have been fully advanced by the Lender and shall bear interest from and after the date upon which such Subsequent Advance(s) is made upon the terms set out in the Loan Documents. The Subsequent Advance(s), together with any interest earned thereon, shall be pledged by the Borrower to the Lender as security for the Loan. In the event the Loan is in default, the Lender shall be entitled to utilize and apply, as determined by the Lender in its sole discretion, all or any part of the Subsequent Advance(s) toward payment of principal, interest, costs, and other amounts owing under the Loan.

Subsequent Advance(s) shall be released to the Borrower upon and subject to satisfaction of the following conditions, as determined by the Lender in its sole discretion:

- i. Release of Subsequent Advances shall not be more frequently than once per month;
- ii. Release of Subsequent Advances shall be on a cost-to-complete basis such that at all times the aggregate un-advanced or unreleased portion of the Loan must be sufficient to complete the full construction of the Project as per the Project Monitor;



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- iii. Receipt of a report by the Project Monitor and approved by the Lender (as defined below), dated no earlier than 2 weeks prior to the requested advance or release date, confirming that the development budget is sufficient to complete the Project, the work completed to date, any applicable holdbacks, the value of any change orders, the amount of the draw request, and the cost-to-complete the Project;
  - iv. Certification by the Project Monitor that there are no cost overruns, and that the requirements of the plans have been respected;
  - v. Receipt of an architect's certificate and/or an engineer's certificate for the Project;
  - vi. Certification by the Lender's solicitor that there have been no liens registered against the Property;
  - vii. Satisfactory workers compensation board clearances;
  - viii. A satisfactory inspection of the Property or Project by the Lender; and
  - ix. Production of such other information, documents and materials, and completion of such other reasonable requirements, as may be deemed necessary by the Lender.

22. **SECURITY:**

The Loan and all Loan indebtedness will be secured and supported by the documents listed in 'Schedule C' (the "**Loan Documents**"), each to be in form and substance satisfactory to the Lender and the Lender's Solicitors:

23. **PRE-FUNDING DELIVERABLES:**

Issuance of the Commitment and the advance of any funds by the Lender shall be subject to its receipt and satisfactory review in sole, absolute and unfettered discretion of each of the following items, which must be received no later than **7** days following acceptance of this Commitment in order to allow the Lender sufficient time to complete its review and intended syndication of the Loan:

- (a) the Earnest Fee or the unpaid balance thereof;
- (b) current and previous 2 years externally prepared audited financial statements for each Borrower Entity that is not an individual, and an opening balance sheet and trial balance for the most recent month-end of the Project (including a detailed list of costs to date);
- (c) current signed Net-Worth Statement for each Borrower Entity that is an individual;
- (d) a credit check and a corporate and personal due diligence check will be conducted by the Lender and is consented to by each Borrower Entity. The cost of the review shall be borne by the Borrower as outlined on 'Schedule A'.



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- (e) a resume, summary, or biographical information detailing real estate development or other relevant business experience of the Borrower Entity and/or Guarantor;
  - (f) evidence that, prior to the Initial Advance, there shall be not less than **\$2,000,000** of cash equity in the Property and/or the Project contributed by one or more Borrower Entities from their own resources and not from borrowed sources;
  - (g) an organization chart showing the legal ownership interests of the Property amongst the Borrower, each Beneficial Owner (if any), and all shareholders, unit-holders, companies, partnerships or trusts that have a direct or indirect ownership interest in the Property (or Project) and identifies individuals that have a 10% or greater, direct or indirect ownership interest in the Property (or Project);
  - (h) for each Borrower Entity that is a corporation, (i) copies of its articles of incorporation and all amendments thereto, and (ii) copy of the shareholders agreement and all amendments thereto and (iii) the full names of all officers, directors, and shareholders thereof, including number and class of shares;
  - (i) If applicable, a copy of any joint venture agreements related to the Property;
  - (j) for each Borrower Entity that is a partnership or trust, copies of the signed partnership or trust agreement as the case may be and any amendments thereof;
  - (k) evidence that a segregated bank account has been opened in the name of the Borrower for transactions pertaining to the Property or Project;
  - (l) copies of two pieces of identification for each Borrower Entity that is an individual, one of which must be government issued photo identification (i.e.: driver's license, passport etc.);
  - (m) the following reports for each Property or Project, each prepared by a consultant acceptable to the Lender and, where required, a reliance letter addressed to the Lender stating that it may rely on such report:
    - i. appraisal report prepared within 12 months of the Initial Advance on an "As-Is" basis prepared by an AACI;
    - ii. current phase 1 environmental report;
    - iii. if necessary, current phase 2 environmental report;
    - iv. current geotechnical report and hydrogeological report (if applicable);
    - v. a planning report on the current zoning and status of any rezoning progress (if available);
    - vi. a current site plan and available architectural and engineering drawings; and
    - vii. if applicable, arborist or tree inventory report
  - (n) the final Agreements of Purchase and Sale including all amendments thereto, entered into by the Borrower to acquire each Property;





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- (o) if applicable, copies of all commitment letters, term sheets or loan agreements (including all amendments thereto) in respect of all encumbrances affecting the Property or Project;
  - (p) if applicable, copies of all commitment letters, term sheets or loan agreements (including all amendments thereto) for any subsequent mortgages to be registered at Closing;
  - (q) if applicable, the condominium disclosure statement (including, without limitation, the declaration, bylaws, proposed budgets and reserve fund studies) for each Property which is or is intended to be registered as a condominium;
  - (r) confirmation of the engagement of a professional quantity surveyor, cost consultant, or project monitor (the "**Project Monitor**"), as approved by the Lender and to act on behalf of the Lender throughout the duration of the intended work on the Project at the Borrower's expense;
  - (s) detailed development budget(s) and schedule(s), indicating individual costs per line item broken out on a monthly basis;
  - (t) a pro-forma profit statement for the Project;
  - (u) a report by the Project Monitor confirming that the budget(s) for the Project is/are sufficient to complete the same, and the proposed schedule for completion of the Project is realistic;
  - (v) if applicable, evidence that the Borrower, or a related entity that will be constructing the Project, is registered as a builder under the Tarion Warranty Program (Ontario);
  - (w) if applicable, the letter of credit requirements and associated release requirements of each applicable municipal or other governmental authority;
  - (x) if applicable, copies of all offers to lease, leases, rental agreements, licences, and other occupancy agreements, and all amendments thereof, affecting the whole or any part of each Property, together with tenant estoppel certificates if required by the Lender;
  - (y) evidence satisfactory to the Lender as to the source of the Borrower's required equity in each Property;
  - (z) a current and up-to-date survey of each Property signed and certified by a duly qualified Ontario Land Surveyor and prepared in accordance with all applicable surveying standards and practices for real properties in Ontario; and
  - (aa) satisfactory evidence that property and liability insurance has been obtained for the Property or Project in accordance with the particulars thereof set out on '**Schedule B**' attached hereto, and that all premiums in respect thereof have been paid in full. The Borrower will pay or reimburse the Lender for the fees, disbursements, and applicable taxes incurred by the Lender's insurance consultant for its reviews (both pre-funding and annual) of the insurance policies (see '**Schedule A**').





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- (bb) Any other information or documentation that may reasonably be required by the Lender.

**24. SYNDICATION AND COMMITMENT CONFIRMATION:**

The Lender reserves the right to syndicate an interest in the Loan to one or more co-lenders who may or may not be related to the Lender. Each Borrower Entity consents to the disclosure by the Lender to any such prospective assignee/participant of all information and documents regarding the Loan, each Property, and each Borrower Entity that is in the possession or control of the Lender.

The Lender shall be allowed until its issuance of a Waiver of Conditions, upon terms and conditions which are not materially different from those set out in this Commitment, or until such later time as may be provided by a Waiver of Conditions upon terms and conditions which are materially different from those set out in this Commitment and which each Borrower Entity has accepted, to syndicate a portion or portions of the Loan, in an amount or amounts and upon terms to be determined by and satisfactory to the Lender in its sole discretion, failing which and upon written notice thereof given by the Lender to the Borrower, this Commitment will be terminated and at an end, the balance of the Commitment Fee will not be payable and the Earnest Fee shall be returned to the Borrower net of any and all disbursements incurred by or on behalf of the Lender for legal fees, third-party peer review, and any other reasonable disbursements incurred by the Lender in reviewing the Loan.

**25. N/A**

**26. INFORMATION UPDATES AND FINANCIAL REPORTING:**

Until repayment of the Loan, the Borrower(s) shall provide to the Lender, within 14 days after each request for the same, such updated information relating to any of the Project or condition precedent requirements as the Lender may request from time to time. Failure to provide items 26 (a) through 26 (c) may constitute a default in the Lender's sole discretion.

Until repayment of the Loan or upon request, each Borrower Entity shall provide to the Lender, within 120 days after the end of its fiscal year, the following:

- (a) Audited financial statements of each Borrower Entity that is not an individual, including a balance sheet and supporting schedules, a detailed statement of income and expenses and supporting schedules, and a statement of change in cash flow;
- (b) Updated net worth statements of each Borrower Entity that is an individual;
- (c) Notice to Reader financial statements in respect of the Property, including a balance sheet and supporting schedules and, if applicable, a detailed statement of income and expenses and supporting schedules;
- (d) If applicable, a current rent roll for the Property containing such detail as may be required by the Lender; and



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- (e) If applicable, a budget for the Property for the next fiscal year, forecasting operating income, expenses, and capital expenditures.

**27. IDENTIFICATION OF BORROWER ENTITIES:**

Prior to Closing, each Borrower Entity will be required to produce certificates and identification acceptable to the Lender and the Lender's Solicitors for the purpose of compliance with the provisions of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and regulations thereunder. Such identification shall include clear and legible copies (both the front and back) of at least two identification documents (with at least one being a photo ID). Such identification shall be supported by a solicitor's certification confirming that the identity of all persons signing as or on behalf of each Borrower Entity have been properly identified and that their signatures are genuine. An Ontario Health Card is not an acceptable identification document.

**28. REPRESENTATIONS AND ACKNOWLEDGEMENTS**

Each Borrower Entity acknowledges, represents and warrants that:

- (a) the Lender is a "Licensed Brokerage" (License No. 10160) and an "Administrator" (License No. 11205) under the Mortgage Brokerages, Lenders and Administrators Act (Ontario), and the Lender is not aware of any conflicts of interest in acting as lender herein and as a brokerage and administrator within the meaning of such Act, or as between the Lender and any Mortgage Broker (as defined above);
- (b) as of the date of the acceptance of this Commitment and as of the Closing Date, it has and will have the power, capacity, and authority to enter into this Commitment and the Loan Documents and to perform and complete the transaction contemplated herein, all of which has been duly authorized by all necessary corporate, partnership, and/or trust action(s) as applicable and the Commitment and the Loan Documents shall constitute legally binding obligations enforceable with their terms and that no third-party consents are necessary;
- (c) it has not withheld and will not withhold any information of a material nature relating to the Property, the Project or any Borrower Entity;
- (d) it has had an opportunity to consult its legal counsel, accountants, and other financial advisors;

**Borrower Initial:**



- (e) it has been informed of and has considered the risks involved in the Loan, including, without limitation, that (i) the Lender is not an institutional lender; (ii) the Interest Rate may be higher and more onerous than that of institutional lenders; (iii) the Loan will bear interest only and, except as otherwise provided, the entire outstanding Principal Amount, accrued and unpaid interest and costs will be due and payable in full on the Maturity Date; (iv) default under the Loan may result in the Borrower's equity being at risk; (v) each Guarantor or Borrower Entity may be called upon to repay the Loan in full and make good on shortfalls required to fully repay the Loan; (vi) the Borrower's ability to service and



refinance the Loan may be dependent upon factors beyond the Borrower's control, including, but not limited to, the impairment of the sources of cash flow, the Lender's refusal to renew or extend the Loan on maturity thereof, the lack of other refinancing alternatives and/or adverse market conditions; and (vii) in the event any default under the Loan which is not cured within any time allowed therefor, the Lender will be entitled to enforce all remedies available by law including, without limitation, sale of or foreclosure upon any Property, appointment of a receiver, seizure of rents and income, obtaining a court judgment and entitlement to payment of 3 months of additional interest; and

**Borrower Initial:**



- (f) the Borrower's ability to repay the Loan will not be supported by insurance upon the life of any Borrower Entity. The Borrower is encouraged to consult with its' insurance professionals in such regard.

**Borrower Initial:**



## 29. **PRIVACY LEGISLATION AND POLICIES**

The Lender and all of its related or associated companies (collectively, the **"Vector Group"**) follow and comply with the Personal Information Protection and Electronic Documents Act (Canada). Vector Group's Privacy Policy is available at [www.vectorfinancialservices.com](http://www.vectorfinancialservices.com). Each Borrower Entity confirms and represents that it has read, understands, and agrees to the Vector Group's Privacy Policy.

Each Borrower Entity has provided certain personal and financial information to the Lender. Each Borrower Entity consents to the Lender using the information so provided to ascertain the credit-worthiness of the Borrower Entity, including, without limitation, obtaining credit reports; contacting the Borrower Entity's bank; verifying employment; and completing background, bankruptcy and criminal checks. Each Borrower Entity hereby grants permission to the Lender to obtain such credit reports.

The funds advanced under the Loan will likely come from a number of private participants who will each contribute to a portion of the Loan. The Mortgage Brokerages, Lenders and Administrators Act, 2006 (Ontario) requires that all lenders have access to financial information about a borrower's ability to meet mortgage payments. This information is provided in the required *Form 3.2 – Disclosure Statement for Investor/Lender in a Non-qualified Syndicated Mortgage*, which all participants in the Loan will receive.

## 30. **APPLICABLE LAW**

This Commitment shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. Each party hereto irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.



**Ajax Meadows Ltd.**

Commitment Letter – Vacant land at SE corner of Rossland Rd W and Harkins Dr, Ontario  
October 6<sup>th</sup>, 2022

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If the terms and conditions (including those outlined in 'Schedule D' of this Commitment are acceptable, please so indicate by signing the attached copy of this Commitment and return it to the writer's attention by **October 11, 2022** together with the balance of the Earnest Fee of **\$25,000** as set out in Section 19 above.

Yours very truly,

**VECTOR FINANCIAL SERVICES LIMITED**



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Noah Mintz  
Managing Director  
Lic. #: M08006173



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Mitchell Oelbaum  
President  
Lic. #: M13001562



**Ajax Meadows Ltd.**

Commitment Letter – Vacant land at SE corner of Rossland Rd W and Harkins Dr, Ontario  
October 6<sup>th</sup>, 2022

**ACCEPTANCE**

**ACCEPTED** on the terms and conditions herein provided this 13<sup>th</sup> day of OCTOBER 2022

**Ajax Meadows Ltd. - As Borrower**

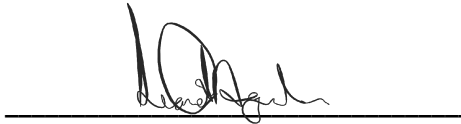


Per:

**I have the sole authority to bind the corporation.**



**Sameer Khan – As Guarantor**



**Witness:**

<b>The Borrower's solicitors for this transaction will be:</b>	
<b>Law Firm:</b>	FOGLER RUBINOFF LLP
<b>Name:</b>	LENEO SDAO
<b>Phone No.:</b>	416.864.9700
<b>Email:</b>	LSDAO@FOGLERS.COM



**SCHEDULE "A" – DISBURSEMENT & FEE SCHEDULE**

<b>Item</b>	<b>Estimated Fee Amount</b>	<b>Comments</b>
<b><u>Deducted From Initial Advance:</u></b>		
Credit Sterling BackCheck	\$35 per credit report \$155 (per guarantor)	<ul style="list-style-type: none"> <li>To reimburse Lender for expenses incurred in ordering credit bureau and Sterling BackCheck investigations</li> </ul>
Valuation Verification (Altus)	\$250 Per Loan	<ul style="list-style-type: none"> <li>Valuation Verification</li> </ul>
Lender Site Inspection	To be determined	<ul style="list-style-type: none"> <li>To reimburse lender for all reasonable costs incurred as part of due diligence</li> </ul>
Title Search (Teranet)	\$40 per PIN	<ul style="list-style-type: none"> <li>To confirm title (as required)</li> </ul>
Property Insurance Review	\$690 - \$1,750	<ul style="list-style-type: none"> <li>Peer review of insurance coverage by the Lenders Insurance Consultant</li> </ul>
Regulator Fee	\$750 per Loan	<ul style="list-style-type: none"> <li>To reimburse Lender for expenses incurred in processing Loan with financial regulators</li> </ul>
Environmental Site Assessment – Peer Review Report	\$500 - \$1,000 per Report	<ul style="list-style-type: none"> <li>Peer review of subject property for hazardous materials and contaminants</li> </ul>
Geotechnical Reports – Peer Review Report	\$500 - \$1,000 per Report	<ul style="list-style-type: none"> <li>Peer review of subject property for site suitability</li> </ul>
Cost Consultant Review	\$1,500 - \$2,500 per Report	<ul style="list-style-type: none"> <li>Peer review of construction budget, work in place, and cost to complete</li> </ul>
Third Party Market Study	\$1,500 per Report	<ul style="list-style-type: none"> <li>Market feasibility &amp; end unit valuation</li> </ul>
Municipal Review	\$1,500 - \$4,000 per Report	<ul style="list-style-type: none"> <li>Peer review of planned development</li> </ul>
<b><u>Costs During Term of the Loan</u></b>		
Mortgage Information Statement	\$350 per Statement	<ul style="list-style-type: none"> <li>For information purposes and audit verification</li> </ul>
N.S.F. Cheque and/or Failed Debit under an EFT Plan	\$350 per occurrence	<ul style="list-style-type: none"> <li>Borrower shall pay liquidated damages to cover the Lender's administrative costs</li> </ul>
Insurance Coverage Change or Annual Review	\$350 per occurrence	<ul style="list-style-type: none"> <li>Lapsed or cancelled insurance not reinstated or replaced by the Borrower. Lender shall have option to replace coverage without notice to borrower.</li> </ul>
Subsequent Advance Review (Hard & Soft Costs)	\$500 - \$1,000	<ul style="list-style-type: none"> <li>Deducted from the draw upon release of funds to the Borrower</li> </ul>
Annual Review	\$500 per year	<ul style="list-style-type: none"> <li>Confirmation of realty taxes, insurance coverage, and general project monitoring</li> </ul>
Bank Processing Fee	\$500	<ul style="list-style-type: none"> <li>On repayment of Loans over \$2 Million</li> </ul>
Mortgage Discharge Statement	\$350 per statement	<ul style="list-style-type: none"> <li>Pay off and discharge mortgage as requested by the Borrower.</li> </ul>
<b><u>Default Administration Costs:</u></b>		
Default Letters	\$750 per occurrence	<ul style="list-style-type: none"> <li>For each collection letter written whether in connection with one default or more</li> </ul>
Default Administration	\$5,000 First month; \$10,000 Each month thereafter	<ul style="list-style-type: none"> <li>\$5,000 for 1<sup>st</sup> default remaining uncured for 14 days, \$10,000 for all subsequent months the default remains uncured</li> </ul>

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**SCHEDULE “B” - INSURANCE REQUIREMENTS (as applicable)**

1. Comprehensive General Liability insurance against loss from liability imposed by law as owner or landlord of the Property resulting from personal injury or death, and damage to or loss of property, of any person, in an amount not less than \$5,000,000 on a single occurrence basis. When Umbrella/Excess Liability insurance is proposed, the Umbrella must follow the form of the underlying Comprehensive General Liability.
2. “All Risks” Property Insurance in an amount not less than 100% of the full replacement cost of the subject property including improvements and personal property. **OR**

“All Risks” Builders Risk / Course of Construction Insurance on a replacement cost basis including the existing structures and/or new build projects. The insurance must insure against damage to or destruction including but not limited to footings, foundations and all parts above and below grade in the amount that equals the full rebuilding cost.

“All Risk” policies are subject to but not limited to the following coverages:

- a. Replacement cost endorsement;
  - b. Deletion from the policy any provision requiring reconstruction on same or adjacent sites;
  - c. An endorsement to the effect that the policy will cover any additional costs of reconstruction as a result of enforcement of current building by-laws and regulations, including the cost of demolition of any undamaged portion of any building or improvement and resultant business income
  - d. Such policy of insurance shall not contain a percentage co-insurance endorsement other than a stated amount co-insurance endorsement for an amount not less than full replacement cost;
  - e. Such policy of insurance shall be written with loss payable and mortgagee to Vector Financial Services Limited in accordance with a form of mortgage clause approved by the Insurance Bureau of Canada or other organization acceptable to the Lender including, without limitation, that the policy will remain in full force notwithstanding anything contained in or omitted from the application therefor, that such insurance will not be invalidated or affected by any act or omission of any person other than the Lender, and that such policy will not be cancelled, terminated or permitted to expire unless the Lender shall first receive 30 days prior written notice of same.
3. Standard Comprehensive form boiler and machinery insurance, including pressure vessels, heating, and air conditioning equipment and other like equipment forming part of the improvements on the Property, against loss or damage by explosion, rupture of steam pipes, and other usual risks covered by such insurance, in an amount which is equal to the full replace cost thereof, and upon and subject to the same terms and conditions required under paragraph 1;
  4. Insurance against loss of rent, rental value, and other payments required to be paid or made by tenants, or loss of income and profits from the business carried out on the Property from at least those risks covered by the insurance herein required and under which the period of indemnity will be not less than twelve months and to the extent of



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not less than 100% of such loss of gross rent or rental value, or income value from time to time with no co-insurance provisions; and

5. Any and all other insurance coverages, which the Lender may reasonably require from time to time.

The Lender will not accept “will endeavor” language in the cancellation notice. Other specific insurance policy wording requirements will be provided by the Lender’s insurance consultant and any revisions will be made in coordination with the Borrower and/or its insurance broker.

The foregoing shall not be construed as a recommendation or opinion by the Lender as to the full scope of insurance which may be required by a prudent owner of the Property, and each Borrower Entity is hereby advised to govern itself accordingly in that regard.





### SCHEDULE 'C' - SECURITY

- (a) a first Charge/Mortgage of the Property in the principal amount of **\$4,900,000** securing all Loan indebtedness;
- (b) a First priority General Assignment of Leases and Rents in respect of the Property;
- (c) a General Security Agreement over all personal property of every nature and kind located at, used in connection with or relating to the Property and the Project which is owned by or leased to the Borrower or any Beneficial Owner;
- (d) an indemnity made by each Borrower Entity in favour of the Lender, in the Lender's standard form, for and in respect of: (i) unauthorized removal of any secured collateral from the Property; (ii) waste or damage to the Property (including unauthorized demolition of any structure on the Property prior to Closing) arising from intentional misconduct, willful neglect, or gross negligence of any Borrower Entity; (iii) any and all environmental matters; (iv) any claim that any amount paid from any Loan advance as a Loan Reserve or other reserve or on account of any Subsequent Advance(s) or costs has not been advanced or does not bear interest or is not secured by the Loan documents; (v) failure to comply with any requirements of the Loan Documents regarding new leases, renewal or extension of existing leases, or insurance of the Property; (vi) any fraud or material misrepresentation in connection with the Loan; (vii) misappropriation of rents, insurance proceeds, or expropriation proceeds; (viii) breach of restrictions relating to transfers or encumbrances of the Property; or (ix) breach of restrictions relating to redemption of or payment of dividends under any of the shares or units of any Borrower Entity or withdrawal of any proceeds, profits, capital, or other equity from the Project;
- (e) an unlimited joint and several guarantee and postponement of claim made by each Guarantor for all Loan indebtedness;
- (f) if applicable, an agreement by each Beneficial Owner consenting to the Loan, authorizing and directing the Borrower to enter into the Loan Documents, and confirming that the interests of each Beneficial Owner are subject and subordinate to the interests of the Lender under the Loan Documents;
- (g) an Assignment of Material Documents relating to the Project including, without limitation, all designs, plans, site plans, studies, reports, deposits and levies paid, consultants and construction contracts, management agreements, and all other agreements relating to the development and ongoing management of the Property or Project;
- (h) irrevocable directions to each governmental or quasi-governmental authority that has been provided any security deposit relating to the Project, and to the issuer of each letter of credit provided to satisfy any such security deposit, to pay to the Lender all monies representing such security deposit, or posted to secure such letter of credit forthwith upon partial or full release of the requirement for such security deposit and return of the applicable letter of credit as the case



may be; and each such irrevocable direction shall be acknowledged by the holder of the security deposit or issuer of the letter of credit as the case may be;

- (i) a first assignment of all Agreements of Purchase and Sale pursuant to which the Property or Project or any part thereof will, upon completion, be acquired by the Borrower;
- (j) a first assignment of all Agreements of Purchase and Sale, and all deposits paid in connection therewith, pursuant to which the Project or any part thereof will, upon completion, be sold to one or more third parties;
- (k) an assignment and agreement in respect of the Loan Reserves in accordance with the provisions set out herein;
- (l) a first assignment of proceeds of all property and liability insurance policies;
- (m) a subordination and standstill agreement between the Lender and any approved subsequent mortgagees, in form and content satisfactory to the Lender and the Lender's Solicitors;
- (n) customary resolutions and officers' certificates in respect of each Borrower Entity that is not an individual;
- (o) one or more opinions provided by counsel for each Borrower Entity, each in form and substance satisfactory to the Lender and the Lender's Solicitors, confirming the existence, power, authorization and execution of the loan documents by each Borrower Entity that is not an individual and the enforceability of the loan documents against each Borrower Entity;
- (p) In order to secure the Lender's Further Financing Rights, the Borrower hereby authorizes the Lender and its solicitors to register on title to the Project a notice pursuant to Section 118 of the Land Titles Act restricting the Borrower from further charging the Project except upon consent of the Lender.
- (q) one or more title insurance policies insuring the Lender's interest in the Property [and each Collateral Property]; and
- (r) such other security, documents, acknowledgements, directions, undertakings, and other assurances as may be reasonably required by the Lender or the Lender's Solicitors.



## **SCHEDULE “D”**

### **GENERAL CONDITIONS**

- (a) The Borrower agrees to at all times fully comply with all applicable federal, provincial, and municipal laws, statutes, regulations, rules, by-laws, orders, permits, licenses, authorizations, approvals, and all applicable common laws or equitable principles whether now or hereafter in force and effect and pertaining to the Property and each Borrower Entity;
- (b) If the Borrower intends to Lease any part of any Property, then the Lender must approve the tenant and its intended use. The Lender may require, in its sole discretion, a statutory declaration, signed by the Tenant, of its intended use. Estoppels certificates using the Lender’s form will be required prior to Closing.
- (c) No distributions of any kind (including but not limited to dividends, payment of interest or principal on any shareholders loans, or management fees payable to any Borrower Entity) shall be permitted to be made to any Borrower Entity or any affiliate thereof or any of the respective directors, officers, and shareholders of them during the term of the Loan without the consent of the Lender, which consent may be arbitrarily withheld.
- (d) The Borrower shall operate a segregated bank account for the Property and/or the Project during the term of the Loan, and all receipts and payments for the Property and the Project must be deposited into and disbursed from such account. Such funds and account shall not be co-mingled with any funds from other projects, properties and/or entities of or related to any Borrower Entity.
- (e) Notwithstanding the satisfaction of all Loan conditions and/or any other event or circumstance of any kind, the Lender will not be required to advance the Loan and may terminate this Commitment at any time if it determines, in its sole discretion, that any event or circumstance has occurred which, in the opinion of the Lender in its sole discretion, either has or could reasonably be expected to have a material adverse effect on (i) the value or marketability of the Property (including without limitation, the physical, environmental, or financial condition of the Property or any tenant or lease of the Property), or (ii) the financial or other condition of any Borrower Entity or its ability to observe and perform any of its respective covenants and obligations to the Lender under or in respect of the Loan and the Loan documents when due.
- (f) In the event of the Borrower failing to pay any amount when due; being in breach of any covenant, term, condition of this Commitment or any Loan Document; if any representation made by or information provided by any Borrower Entity or its agent or representative is found to be untrue or incorrect; or if any default or Event of Default (as defined in the Loan Documents) occurs, the Borrower shall be in default of its obligations and the Lender may, at its option, declare the Loan indebtedness and any other amount due under this Commitment and the Loan Documents to be forthwith due and payable, or cease or delay further funding, and/or exercise any and/or all remedies available to it at law or in equity.



- 
- (g) If the Lender deems that use of any Property is illegal, it shall inform any governmental authority of same without notice to the Borrower.
- (h) Until all Loan indebtedness is repaid in full, the Lender shall have the right, upon reasonable notice, to conduct inspections of each Property to ensure that it is properly maintained and that its intended use conforms to all laws.
- (i) Each Borrower Entity shall jointly and severally indemnify and save harmless the Lender and its directors, officers, shareholders, agents, trustees, employees, contractors, licensees, and other representatives from and against any and all losses, damages, injuries, expenses, suits, actions, claims, and demands of every nature and kind whatsoever arising out of the provisions of this Commitment and the Loan Documents, any letters of credit or letters of guarantee issued, and any sale or lease of any Property and/or the Project and/or the use or occupation thereof, including, without limitation, those arising from the right to enter any Property at any time and to carry out the various tests, inspections, and other activities permitted by this Commitment and the Loan Documents. In addition to the obligations and liabilities of each Borrower Entity under this Commitment and the Loan Documents, each Borrower Entity shall be jointly and severally liable for any and all of the Lender's costs, expenses, damages, or liabilities, including, without limitation, all reasonable legal fees, directly, or indirectly arising out of, or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence on, under, or about any Property of any hazardous or noxious substances. The provisions of this subparagraph are (i) separate and distinct obligations from the other obligations of each Borrower Entity under this Commitment and the Loan Documents; (ii) survive the repayment of the Loan indebtedness and satisfaction of such other obligations and discharge of the Loan Documents; (iii) are not discharged or released by foreclosure by the Lender under the Loan Documents; and (iv) shall continue in effect after any transfer of any Property including, without limitation, transfer pursuant to any judicial or non-judicial foreclosure proceeding or by any transfer in lieu of foreclosure.
- (j) The Borrower and Guarantor(s) will provide the usual warranties and representations respecting: the accuracy of financial statements and that there has been no material adverse change in the financial condition or operations of any Borrower Entity as reflected in the financial statements used by the Lender to evaluate the Loan; title to each Property; the power and authority of each Borrower Entity to execute and deliver documents; the accuracy of documents delivered and representations made to the Lender; that there are no pending adverse claims, outstanding judgments or defaults under agreements relating to any Property and/or the Project; the payment of all taxes; that no consents, approvals or authorizations are necessary or, if required, that same have been obtained; the compliance with the Construction Lien Act (Ontario) as amended from time to time; the status of permitted encumbrances; that all necessary services are available to the Project; that no hazardous substances are used, stored, discharged, or present on any Property; and such other reasonable matters as the Lender or the Lender's Solicitors may require.
- (k) The voting and managerial control of the Borrower shall not be changed without the prior written consent of the Lender in its sole discretion.



- (l) The location(s) of the Borrower's offices and records shall not be changed without the prior written consent of the Lender acting reasonably.
- (m) Loan disbursement(s) shall take place only upon title to the Property being acceptable to the Lender's Solicitors and all matters in connection with the priority, validity, and enforceability of the Loan Documents and other documentation deemed necessary or advisable by Lender's Solicitors being complied with by each Borrower Entity as applicable.
- (n) The Borrower shall pay forthwith on demand all other reasonable fees and disbursements incurred or to be incurred in connection with the Loan Documents and all other documents, including, without limitation, registration costs, discharge costs, appraisal fees, surveyor's costs, and monitoring costs and costs itemized on **Schedule "A"** hereto.
- (o) The express or implicit waiver by the Lender of any breach or default by any Borrower Entity under this Commitment or any Loan Document shall not be construed as a waiver of any other or subsequent breach or default by such Borrower Entity. Any failure by the Lender to exercise any of its rights or remedies shall not constitute or be construed as a waiver thereof.
- (p) This Commitment, the Loan, and the Loan Documents may be assigned, transferred, or otherwise disposed of by the Lender in whole or in part to any third party without the consent of any Borrower Entity.
- (q) This Commitment is not assignable by any Borrower Entity.
- (r) The Lender shall have the right to provide at its cost a sign, no greater than 4 feet x 6 feet, advertising the fact that the Lender provided the Loan financing. The sign shall be erected by the Borrower at its cost in a prominent location on or about the hording or construction fence at a location mutually agreed by the Borrower and the Lender.
- (s) This Commitment constitutes the entire agreement between the parties and there are no other representations, warranties, terms, or conditions pertaining to this Commitment or the subject matter hereof other than as herein set forth. All Schedules to this Commitment form a part hereof. No amendment or release of this Commitment shall be binding or enforceable unless made in writing signed by all of the parties hereto. Time is and shall remain of the essence under this Commitment, provided that the time for performing or completing any matter under or pursuant to this Commitment may be extended or abridged by an agreement in writing by the parties or their respective solicitors. Failure by any party to strictly enforce any provisions hereof shall not operate as a waiver or limitation of such party's rights hereunder in respect of any subsequent default. If any provision of this Commitment or the application thereof to any person or circumstance is to any extent held or rendered invalid, unenforceable, or illegal, it shall be considered separate and severable here from and all other provisions of this Commitment shall remain in full force and effect and be binding upon the parties hereto. The headings set forth in this Commitment are inserted for convenience and reference only and shall not define or limit the intent or interpretation of any of the provisions hereof. This Commitment shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context, and the covenants



and agreements of each party shall be deemed to be joint and several where such party is more than one person, firm, or corporation. Nothing in this Commitment shall constitute or be construed or deemed as creating the relationship of principal and agent, partnership, joint tenancy, or joint venture between or amongst the Lender and any Borrower Entity. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles applied on a consistent basis. All amounts referred to in dollars shall mean dollars in lawful money of Canada unless otherwise expressly provided herein.

- (t) Any mortgage statement issued by the Lender will be correct absent a manifest error.
- (u) The Lender shall not be required to accept payment or provide a discharge unless the mortgage statement is acknowledged by the Borrower
- (v) The Borrower acknowledges that the discharge funds will be immediately distributed to the Lender's investors and there shall be no adjustment of the payout amount once such distribution has taken place.



**Ajax Meadows Ltd.**

Commitment Letter – Vacant land at SE corner of Rossland Rd W and Harkins Dr, Ontario  
October 6<sup>th</sup>, 2022

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**SCHEDULE "E"**

**Legal/Property Description**

<b>Municipal Address</b>	<b>Legal Description</b>	<b>PIN</b>
	PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ; TOWN OF AJAX	26429-0003



245 Eglinton Avenue East, Suite 400  
Toronto, Ontario M4P 3B7



416-483-8018



[www.vectorfinancial.ca](http://www.vectorfinancial.ca)





## COMMITMENT LETTER AMENDMENT

October 28, 2022

Ajax Meadows Ltd.  
 c/o Murray & Company  
 502 - 40 University Avenue  
 Toronto, ON, M5J 1S3

**Attention:** Sameer Khan and Raj Joshi

Dear Sirs,

**RE: VECTOR FINANCIAL SERVICES LIMITED** (the “Lender”) First (1<sup>st</sup>) Mortgage Financing (the “Loan”) on all property and assets comprising vacant land at SE corner of Rossland Road West and Harkins Drive in Ajax, Ontario (the “Property”) to Ajax Meadows Ltd. (the “Borrower”)

**Vector Reference No. BC #22-39**

**AND RE: The Commitment Letter issued by the Lender and addressed to the Borrower dated October 6, 2022 (the “Commitment Letter”)**

This letter will confirm our agreement to the following amendments to the Commitment Letter:

Section 7: **LOAN AMOUNT** (the “Loan Amount” or “Principal Amount”):

The loan amount shall be revised to: FOUR MILLION DOLLARS (\$4,000,000)

Section 8 **PURPOSE OF LOAN & EXIT**

(c) Uses and Sources of Funds

	<b>Total</b>
<b><u>Uses of Funds:</u></b>	
Refinance Subject Property	\$3,603,000
Interest Reserve	\$225,000
Soft Costs	\$32,000
Broker Fee	\$45,000
Lender Fees	\$70,000
Legals & Closing (est.)	\$25,000
<b>TOTAL</b>	<b>\$4,000,000</b>
<b><u>Sources of Funds:</u></b>	
Vector Loan	\$4,000,000
<b>TOTAL</b>	<b>\$4,000,000</b>




Section 19: **LOAN FEES, BROKERAGE FEES AND DISBURSEMENTS:**

- (a) The “Commitment Fee” shall be revised to **\$70,000** and in respect of which the Lender acknowledges receipt of **\$30,000** toward the Commitment Fee.
- (b) the balance of the Commitment Fee in the amount of **\$40,000** shall be deemed earned after issuance by the Lender of the Waiver of Conditions upon terms and conditions which are not materially different from those set out in this Commitment (and it is agreed that a change of the Scheduled Closing Date and/or the Expiry Date shall not be material) or upon terms and conditions which are materially different from those set out in this Commitment and which each Borrower Entity has accepted. This amount shall be deducted from the Initial Advance or payable at the time of and on the Expiry Date, whichever shall first occur. The Borrower, and not the Lender, shall be responsible for payment of any brokerage or finder’s fees, commissions or other compensation, plus applicable taxes (collectively, the “**Brokerage Fees**”) payable to **Murray & Company Limited, FSRA Licence# 10205**, (the “**Mortgage Brokers**”) or any other person not affiliated with or contracted by the Lender in connection with the Loan and shall indemnify and hold the Lender and all related entities harmless in respect of same. The Commitment Fee does not include the Brokerage Fees. Such Brokerage Fees will have an impact on the total cost of borrowing and the Borrower acknowledges Brokerage Fees in the amount of **\$45,000** and hereby irrevocably authorizes and directs the Lender to deduct the Brokerage Fees from the Initial Advance and pay the same to the Mortgage Broker at Closing.

Section 21: **ADVANCES:**

On the Closing Date, the amount of **\$4,000,000** (the “Initial Advance”) will be advanced to or for the benefit of the Borrower as follows:

- (a) the amount of **\$40,000** will be deducted and paid to the Lender on account of the outstanding balance of the Commitment Fee;
- (b) The amount of **\$45,000** will be deducted and paid to the Mortgage Broker on account of Brokerage Fees
- (c) The amount of **\$225,000** will be deducted and retained by the Lender or the Lender’s solicitors on account of the following loan reserve(s) (individually and collectively called the “Loan Reserve”):
  - (i) the amount of **\$225,000** as and on account of an interest reserve (the “Interest Reserve” to be used to fund the first 5 and last 1 month of interest coming due under the Loan; and
  - (ii) n/a



**Ajax Meadows Ltd.**

Commitment Letter Amendment – Vacant land SE corner Rossland Rd W and Harkins Dr,  
Ajax, Ontario  
October 28<sup>th</sup>, 2022

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the balance in the amount of **\$3,690,000** (after deducting an amount for 'Schedule A' related closing costs and interest from the Closing Date to the IAD) will be remitted to the Lender's Solicitor for the benefit of the Borrower to pay for closing costs (including outstanding realty taxes, and legal costs), refinancing of the Property, soft costs, development costs and other costs pursuant to the provisions set out herein. See Section 8c above for a list of costs to be funded on closing.

**There shall be no further subsequent advances.**

### **Schedule 'C' - Security**


- (a) a first Charge/Mortgage of the Property in the principal amount of \$4,000,000 securing all Loan indebtedness

All other terms and conditions of the Commitment Letter shall remain the same and all parties hereto continue to be bound by the Commitment Letter as amended herein.

If the above is acceptable, please so indicate by executing and returning one original copy of this letter on or before **October 31<sup>st</sup>, 2022.**

Yours very truly,

### **VECTOR FINANCIAL SERVICES LIMITED**



Noah Mintz  
Managing Director  
Lic. #: M08006173



Mitchell Oelbaum  
President  
Lic. #: M13001562



**Ajax Meadows Ltd.**

Commitment Letter Amendment – Vacant land SE corner Rossland Rd W and Harkins Dr,  
Ajax, Ontario  
October 28<sup>th</sup>, 2022

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**ACCEPTANCE**

**ACCEPTED** on the terms and conditions herein provided this 31<sup>st</sup> day of OCTOBER, 2022.

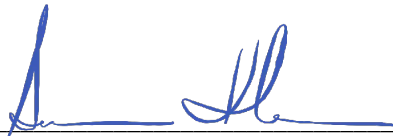
**Ajax Meadows Ltd. - As Borrower**



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Per:

I have the sole authority to bind the corporation.



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Sameer Khan – As Guarantor



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Witness:





**COMMITMENT LETTER AMENDMENT #2**

October 18, 2023

Ajax Meadows Ltd.  
c/o Murray & Company  
502 - 40 University Avenue  
Toronto, ON, M5J 1S3

**Attention:** Mr. Sameer Khan

Dear Sir,

**RE: VECTOR FINANCIAL SERVICES LIMITED** (the "Lender") First (1<sup>st</sup>) Mortgage Financing (the "Loan") on all property and assets comprising vacant land at SE corner of Rossland Road West and Harkins Drive in Ajax, Ontario (the "Property") to Ajax Meadows Ltd. (the "Borrower")

**Vector Reference No. BC 22-39**

**AND RE:** The Commitment Letter issued by the Lender and addressed to the Borrower dated October 6, 2022 and the amendment dated October 28, 2022 (Collectively, the "**Commitment Letter**")

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This letter will confirm our agreement to the following amendments to the Commitment Letter:

**Section 11: Term & Maturity:**

All Loan indebtedness shall become due and payable in full on the 10<sup>th</sup> day of the month which is **11** calendar months after the Interest Adjustment Date.

For clarity, the Maturity Date shall be revised to **November 10, 2023** and the Step Up Date shall be revised to **October 10, 2023**.



**Ajax Meadows Ltd.**

Commitment Letter Amendment – vacant land at SE corner of Rossland Road West and Harkins Drive in Ajax, Ontario

October 18, 2023

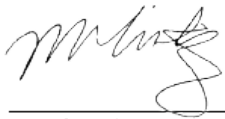
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All other terms and conditions of the Commitment Letter shall remain the same and all parties hereto continue to be bound by the Commitment Letter as amended herein.

If the above is acceptable, please so indicate by executing and returning one original copy of this letter on or before **October 18, 2023**.

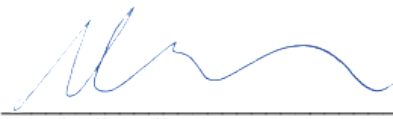
Yours very truly,

**VECTOR FINANCIAL SERVICES LIMITED**



---

Noah Mintz  
Managing Director  
Lic. #: M08006173



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Mitchell Oelbaum  
President  
Lic. #: M13001562



**Ajax Meadows Ltd.**

Commitment Letter Amendment – vacant land at SE corner of Rossland Road West and Harkins Drive in Ajax, Ontario

October 18, 2023

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**ACCEPTANCE**

**ACCEPTED** on the terms and conditions herein provided this 18th day of October, 2023.

**Ajax Meadows Inc. - As Borrower**



Per:

I have the sole authority to bind the corporation.



Sameer Khan – As Guarantor



Witness:





**THIS IS EXHIBIT "C"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

A commissioner for taking affidavits

LRO # 40 **Charge/Mortgage**

Registered as DR2191762 on 2022 11 24 at 13:22

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

yyyy mm dd Page 1 of 18

**Properties**

PIN 26429 - 0003 LT Interest/Estate Fee Simple  
 Description PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX  
 Address AJAX

**Chargor(s)**

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

Name AJAX MEADOWS LTD.  
 Address for Service 1235 Queensway East,  
 Unit 17A  
 Mississauga, Ontario  
 L4Y 0G4

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

**Chargee(s)***Capacity**Share*

Name VECTOR FINANCIAL SERVICES LIMITED 75%  
 Address for Service 245 Eglinton Avenue East, Suite 400 Toronto, Ontario M4P  
 3B7  
 Loan No. 22-39

Name OLYMPIA TRUST COMPANY 25%  
 Address for Service P.O. Box 2581, Station Central  
 Calgary, Alberta T2P 1C8  
 Loan No. 22-39

**Statements**

Schedule: See Schedules

**Provisions**

Principal \$4,000,000.00 Currency CDN  
 Calculation Period daily, not in advance, compounded monthly  
 Balance Due Date 2024/01/10  
 Interest Rate See Schedule  
 Payments  
 Interest Adjustment Date 2022 12 10  
 Payment Date 10th day of each month  
 First Payment Date 2023 01 10  
 Last Payment Date 2024 01 10  
 Standard Charge Terms 200033  
 Insurance Amount Full insurable value  
 Guarantor See Schedule

**Additional Provisions**

See Schedule for "Additional Provisions"

**Signed By**

Rossi Ryan Ramgoolam 40 King Street West, Suite 2100 acting for Signed 2022 11 24  
 Toronto  
 M5H 3C2 Chargor(s)

Tel 416-869-5300

Fax 416-360-8877

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

LRO # 40 **Charge/Mortgage**

**Registered as DR2191762** on 2022 11 24 at 13:22

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

yyyy mm dd Page 2 of 18

**Submitted By**

CASSELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100 2022 11 24  
Toronto  
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

**Fees/Taxes/Payment**

Statutory Registration Fee \$69.00  
Total Paid \$69.00

**File Number**

Chargee Client File Number : 49004-134

## SCHEDULE "A"

### ADDITIONAL PROVISIONS

#### 1. STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in the Standard Charge Terms. In the event of any conflict between the terms contained in this schedule and those contained in the Standard Charge Terms, the terms contained in this schedule shall, to the extent of the conflict, prevail.

#### 2. DEFINITIONS

In this schedule, the following definitions apply:

- (a) **Applicable Laws** means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all applicable common law or equitable principles in force and effect during the currency of this Charge;
- (b) **Balance Due Date** means January 10, 2024;
- (c) **Charge** means this Charge/Mortgage of Land made pursuant to the *Land Registration Reform Act* and any amendments thereto and including the Standard Charge Terms;
- (d) **Chargee** shall mean collectively, Vector Financial Services Limited as to a 75% interest and Olympia Trust Company as to a 25% interest and each of their successors and assigns;
- (e) **Chargor** shall mean Ajax Meadows Ltd. including its successors and permitted assigns;
- (f) **CIBC** means the Canadian Imperial Bank of Commerce;
- (g) **Commitment Letter** means collectively the commitment letter issued by Vector Financial Services Limited dated October 6, 2022, as amended by a commitment letter amendment dated October 28, 2022, as may be further amended from time to time, setting out the terms of the loan secured by this Chargee;
- (h) **Costs** shall include but not be limited to all of the fees, costs, charges, losses, damages and expenses incurred by the Chargee as a direct or indirect consequence of granting the loan secured by this Charge including, without limitation, all expenses incurred in the construction, preservation, maintenance, repair, insuring and realization of the security contained herein, and all reasonable legal costs incurred by the Chargee as between a solicitor and his own client;
- (i) **Covenantor** shall mean Sameer Khan and his/her successors and permitted assigns;
- (j) **Environmental Laws** means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance;

- (k) **Environmental Proceeding** means any investigation, action, proceeding, conviction, fine, judgment, notice, order, claim, directive, permit, license, approval, agreement or lien of any nature or kind arising under or relating to Environmental Laws;
- (l) **Hazardous Substance** means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes.
- (m) **Interest** means interest at the Interest Rate calculated daily (on the basis of 360 days/year) and compounded monthly not in advance both before and after maturity, default, and judgment;
- (n) **Interest Adjustment Date** means the 10<sup>th</sup> day of the month following the date of the first advance;
- (o) **Interest Rate** means,
- a. for the period from and including the scheduled closing date to and including the day immediately preceding the Step-Up Date, the greater of:
    - i. 10.95% per annum, and
    - ii. the Prime Rate plus 5.50%; and
  - b. from and after the Step-Up Date and until the Loan indebtedness is repaid in full (the "**Step Up Rate**"), the greater of:
    1. 14.00%; and
    2. the Prime Rate plus 8.55%

Interest shall be adjusted daily as to fluctuations from time-to-time of the Prime Rate and shall be calculated daily (based on 360 days/year, not in advance), compounded monthly and payable monthly. In the event that the Prime Rate changes, the Monthly Payments will be adjusted in the subsequent interest billing cycle.

The Chargor and Covenantor each acknowledge that the Step Up Rate increase occurs solely by passage of time and not as a result of the occurrence of any default or Event of Default.

- (p) **Loan** means the loan made by the Chargee to the Chargor pursuant to the terms of the Commitment Letter.
- (q) **Monthly Payments** means the payments of Interest only made on the tenth (10th) day of each month on the Principal outstanding from time to time;
- (r) **Prime Rate** means the annual rate of interest which is announced from time to time by CIBC at its head office in Toronto, Ontario as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans made in Canada;
- (s) **Principal Amount or Principal** means the maximum principal amount of \$4,000,000.00 in lawful money of Canada which may be advanced under this

Charge as it may be increased or decreased prior to registration of a discharge of this Charge;

- (t) **Project** means the proposed construction on the Property of 27 townhomes and a one-storey commercial plaza with a total gross floor area of approximately 59,600 square feet;
- (u) **Property or Charged Property** means the lands described in the Charge to which this Schedule is attached and as further described in Schedule "B" attached and all buildings, fixtures and improvements now or hereafter brought or erected thereon;
- (v) **Standard Charge Terms** means the set of Standard Charge Terms filed as No. 200033;
- (w) **Step-Up Date** means the 10<sup>th</sup> day of the month immediately prior to the Balance Due Date or such earlier date as may be established pursuant to the Chargor's election for prepayment pursuant to Section 5 hereof; and
- (x) **Receiver** means a receiver or receiver-manager of the Property.

### 3. CHARGE

Upon the request of the Chargee, the Chargor hereby gives this Charge and charges the Property as security for full payment to the Chargee of the Principal Amount, Interest and all other amounts payable hereunder and as security for the observance and performance of all of the obligations of the Chargor to the Chargee pursuant to this Charge or otherwise.

### 4. MONTHLY PAYMENTS

Interest on the Principal Amount from time to time advanced prior to the Interest Adjustment Date, computed from the respective dates of such advances to the Interest Adjustment Date, shall, at the option of the Chargee, be deducted from the advances; after the Interest Adjustment Date, the interest only payments computed from the Interest Adjustment Date on the Principal Amount outstanding from time to time, shall become due and be paid in Monthly Payments as provided by this Schedule to this Charge and the balance of the Principal Amount and Interest shall become due and payable on the Balance Due Date. The Monthly Payments, when received, shall be applied firstly to outstanding Costs, secondly to outstanding Interest and the Principal Amount outstanding.

### 5. PREPAYMENT

The Loan is closed and not open for prepayment in whole or in part prior to the 10<sup>th</sup> day of the 6<sup>th</sup> month after the Interest Adjustment Date.

During the term of the Loan (the "**Term**"), when not in default and upon not less than thirty (30) days prior written notice to the Chargee (the "**Notice**"), and upon payment of an additional one (1) month's Interest, the Chargor may, between the 20<sup>th</sup> and 31<sup>st</sup> of the sixth (6<sup>th</sup>) month following the Interest Adjustment Date prepay the whole (but not part) of the then outstanding Principal Amount plus: (i) all accrued and unpaid Interest and compound Interest calculated to and including the date of prepayment, and (ii) all costs and expenses then due payable to the Chargee under the Loan and the Security (hereinafter defined). From and after the giving of the Notice, the date of such prepayment so selected by the Chargor shall become the new Step-Up Date. In the event that the Notice is given by the Chargor, and if payment is not made in accordance with the Notice, then the entire Loan indebtedness shall become due and payable forthwith at the option and upon the demand by the Chargee, together with an additional one (1) month's Interest calculated at the Step-Up Rate.

## 6. PAYMENTS BY CHARGEES

The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the Property and all costs, charges, legal fees (as between solicitor and his own client) and expenses as deemed necessary by the Chargee to preserve the Property and/or to realize upon the Chargee's security and all such payments shall be deemed Costs hereunder.

## 7. COSTS

Costs shall be forthwith due and payable by the Chargor to the Chargee and shall bear Interest until fully paid.

## 8. INSURANCE PROVISIONS

The Chargor will at all times during the Term maintain the insurance required by the Chargee including, without limitation, the following coverages:

1. Comprehensive General Liability insurance against loss from liability imposed by law as owner or landlord of the Property resulting from personal injury or death, and damage to or loss of property, of any person, in an amount not less than \$5,000,000 on a single occurrence basis. When Umbrella/Excess Liability insurance is evidenced, the Umbrella must follow form of the underlying Comprehensive General Liability.
2. "All Risks" property insurance in an amount not less than 100% of the full replacement cost of the Property including improvements and personal property or "All Risks" Builders Risk/Course of Construction Insurance on a replacement cost basis including the existing structures and/or new build projects. The insurance must insure against damage to or destruction including but not limited to footings, foundations and all parts above and below grade in the amount that equals the full rebuilding cost.

"All Risk" policies are subject to but not limited to the following coverages:

- (a) Replacement cost endorsement;
- (b) Deletion from the policy any provision requiring reconstruction on same or adjacent sites;
- (c) An endorsement to the effect that the policy will cover any additional costs of reconstruction as a result of enforcement of current building by-laws and regulations, including the cost of demolition of any undamaged portion of any building or improvement;
- (d) Such policy of insurance shall not contain a percentage co-insurance endorsement other than a stated amount co-insurance endorsement for an amount not less than full replacement cost;
- (e) Such policy of insurance shall be written with loss payable to the Chargee in accordance with a form of mortgage clause approved by the Insurance Bureau of Canada or other organization acceptable to the Chargee including, without limitation, that the policy will remain in full force notwithstanding anything contained in or omitted from the application therefor, that such insurance will not be invalidated or affected by any act or omission of any person other than the Chargee and that such policy will

not be cancelled, terminated or permitted to expire unless the Chargee shall first receive thirty (30) days prior written notice of same;

3. Standard Comprehensive form boiler and machinery insurance, including pressure vessels, heating, and air conditioning equipment and other like equipment forming part of the improvements on the Property, against loss or damage by explosion, rupture of steam pipes, and other usual risks covered by such insurance, in an amount which is equal to the full replace cost thereof, and upon and subject to the same terms and conditions required under subparagraph 1 hereunder;
4. Insurance against loss of rent, rental value, and other payments required to be paid or made by tenants, or loss of income and profits from the business carried out on the Property from at least those risks covered by the insurance herein required and under which the period of indemnity will be not less than twelve months and to the extent of not less than 100% of such loss of gross rent or rental value, or income value from time to time with no co-insurance provisions; and
5. Any and all other insurance coverages which the Chargee may reasonably require from time to time.

**The Chargee will not accept "will endeavor" language in the cancellation notice.** Other specific insurance policy wording requirements will be provided by the Chargee's insurance consultant and any revisions will be made in coordination with the Chargor and/or its insurance broker.

## 9. ENVIRONMENTAL CLAUSE

### Representations:

The Chargor hereby represents, warrants, covenants and agrees with the Chargee that, to its knowledge, the Property and all businesses and operations conducted thereon comply with all Environmental Laws, save as may be disclosed in the Environmental Audit submitted by the Chargor to the Chargee. The Property has not been used for or designated as a waste disposal site and, except as disclosed in the environmental audit obtained by the Chargee prior to the advance of funds under this Charge (the "**Environmental Audit**"), contains no Hazardous Substances and there is no existing or threatened Environmental Proceeding against or affecting the Property. Copies of all existing environmental assessments, audits, tests and reports relating to the Property have been delivered to the Chargee. To the best of the Chargor's knowledge and belief, there are no pending or proposed changes to Environmental Laws or to any Environmental Proceedings which would render illegal or materially restrict or change the present use and operation of the Property. Except as disclosed in the Environmental Audit, neither of the Chargor nor, to the best of the Chargor's knowledge and belief after due inquiry and investigation, any other person or organization: (i) has used or permitted the use of the Property to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances; (ii) has been subject to any Environmental Proceeding related to the Property; (iii) has caused or permitted the release or discharge of any Hazardous Substance on or in the vicinity of the Property; (iv) has received or otherwise has knowledge of any Environmental Proceedings or of any facts which could give rise to any Environmental Proceeding related to the Property; (v) has undertaken any remediation or clean-up of any Hazardous Substance on or in the vicinity of the Property; or (vi) has defaulted in reporting any occurrence or circumstance to any governmental authority in relation to the Property which is or was required to be reported pursuant to any Environmental Laws.

### Covenants:



The Chargor shall: (i) ensure that the Property and the Chargor comply with all Environmental Laws at all times; (ii) not permit any Hazardous Substance to be located, manufactured, stored, spilled, discharged or disposed of at, on or under the Property (except in the ordinary course of business of the Chargor or any tenant and in compliance with all Environmental Laws) nor permit any other activity on or in respect of the Property that might result in any Environmental Proceeding affecting the Property, Chargor or Chargee; (iii) notify the Chargee promptly of any threatened or actual Environmental Proceedings; (iv) remediate and cure in a timely manner any non-compliance by the Property or the Chargor with Environmental Laws, including removal of any Hazardous Substances from the Property; (v) maintain all environmental and operating documents and records including all permits, licenses, certificates, approvals, orders and agreements relating to the Property as required by Environmental Laws; (vi) provide the Chargee promptly upon request with such information, documents, records, permits, licences, certificates, approvals, orders, agreements, environmental audits, reports, assessments and inspections and take such other steps (all at the Chargor's expense) as may be required by the Chargee to confirm and/or ensure compliance by the Property and the Chargor with Environmental Laws, and (vii) execute all consents, authorizations and directions necessary to permit any inspection of the Property by any governmental authority and to permit the release to the Chargee or its representatives, of any information relating to the Property and the Chargor.

#### Indemnity:

Without limiting any other provision of this Charge or any document collateral hereto, the Chargor shall indemnify and pay, protect, defend and save the Chargee harmless from and against all actions, proceedings, losses, damages, liabilities, claims, demands, judgments, costs, expenses, (including legal fees and disbursements on a solicitor and his own client basis) (collectively "**Environmental Claims**"), imposed on, made against or incurred by the Chargee arising from or relating to, directly or indirectly, and whether or not disclosed by the Environmental Audit and whether or not caused by the Chargor or within its control, (i) any actual or alleged breach of Environmental Laws relating to or affecting the Property, (ii) the actual or alleged presence, release, discharge or disposition of any Hazardous Substance in, on, over, under, from or affecting all or part of the Property or surrounding lands, including any personal injury or property damage arising therefrom, (iii) any actual or threatened Environmental Proceeding affecting the Property including any settlement thereof, (iv) any assessment, investigation, containment, monitoring, remediation and/or removal of all Hazardous Substances from all or part of the Property or surrounding areas or otherwise complying with Environmental Laws, or (v) any breach by the Chargor of any covenant hereunder or under any document collateral hereto or under Applicable Law relating to environmental matters. This indemnity shall survive repayment of the loan secured hereby, foreclosure upon this Charge and any other extinguishing of the obligations of the Chargor under this Charge and any other exercise by the Chargee of any remedies available to it against the Chargor.

#### Inspections:

The Chargee or its agent may, at any time, before and after an Event of Default, and for any purpose deemed necessary by the Chargee, enter upon the Property, upon 48 hours' prior written notice to the Chargor (except in the case of an emergency), to inspect the Property and buildings thereon to ensure it is properly maintained and that its intended use conforms to all laws. Without in any way limiting the generality of the foregoing, the Chargee may enter upon the Property, upon 48 hours' prior written notice to the Chargor (except in the case of an emergency), to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee and the reasonable cost of such testing, assessment, investigation or study, as the case may be, shall bear interest at the rate set out in this Charge from the date of disbursement until paid and all such sums together with interest as aforesaid shall be a charge upon the Property. The exercise of any of the powers enumerated in this clause shall not result in the Chargee, or its agents being deemed to be in possession, management, or control of the Property and buildings.

## 10. PROPERTY MANAGEMENT

The Chargee shall have the right to require that the Chargor retain professional property management for the Property satisfactory to the Chargee, acting reasonably. The Chargee shall also have the right to approve the terms and conditions of the management agreement. Any change in the management of the Property shall require the prior written approval of the Chargee, both as to manager and the terms and conditions of the management agreement.

## 11. SURVIVAL OF COMMITMENT LETTER

Neither the execution and delivery of this Charge or any security documents which are contemplated by the Commitment Letter nor the advance of any portion of the Principal Amount shall, at any way, merge or extinguish the Commitment Letter or the terms and conditions contained in the Commitment Letter. The Commitment Letter and all of its provisions shall continue in full force and effect until the Principal Amount has been repaid in full; provided that in case of any inconsistency or conflict between any provision or provisions of the Commitment Letter and any provision or provisions of this Charge or any other security documents granted pursuant to the Commitment Letter, the provisions of the Commitment Letter, as same may have been amended from time to time, shall prevail.

## 12. EVENTS OF DEFAULT

The Chargor shall be in default under this Charge if any one or more of the following events of default occurs at any time or times prior to registration of a complete discharge of this Charge and continues beyond any cure period agreed to by the parties (an "**Event of Default**"):

- (a) the Chargor default under any one or more of the covenants, conditions, terms, agreements, provisions and obligations contained in this Charge to be kept, observed and performed by the Chargor and such default is not rectified or cured within 1 business day for a monetary default and 7 business days for a non-monetary default of receiving notice of such breach or default;
- (b) the Chargor becomes insolvent, bankrupt or a trustee in bankruptcy is appointed for the Chargor or the Chargor makes a general assignment for the benefit of creditors or goes into liquidation either voluntarily or under an order of the court of competent jurisdiction or otherwise acknowledges his insolvency;
- (c) there is shown to be any discrepancy or inaccuracy in any written information, statement, warranty or representations made or furnished to the Chargee by or on behalf of the Chargor with respect to the Property or the Chargor financial condition and if such discrepancies or inaccuracies are material in the opinion of the Chargee, acting reasonably;
- (d) the Chargor defaults under any one or more covenants, conditions, terms, agreements, provisions and obligations contained in any document submitted to the Chargee by or on behalf of the Chargor in connection with this Charge, including, without limitation, the Commitment Letter;
- (e) any or all of the shares issued and outstanding in the capital stock of the Chargor are directly or indirectly transferred, pledged, encumbered, hypothecated or dealt with in any manner whatsoever such that the Chargee determines, in its sole and unfettered discretion, that there is a change in control of the Chargor;
- (f) there is litigation or any other proceeding, application, claim or action pending or threatened before any court, administrative board, or other tribunal which, if

determined adversely to the Chargor or, in the opinion of the Chargee, acting reasonably, would materially affect the Property, the financial condition of the Chargor or the value of the Property;

- (g) there is rendered against the Chargor a final judgment, order or decree for the payment of money which remains unpaid for 30 days and which, in the sole opinion of the Chargee, will materially affect the Property, the financial condition of the Chargor or the value of the Property;
- (h) the Chargor is in default under any prior or subsequent mortgage or encumbrance affecting the Property;
- (i) there is a change in mind or management or location of the Chargor's offices or place of records without the consent of the Chargee, not to be unreasonably withheld; or
- (j) the Chargor fails to operate a segregated bank account for the Property or Project or co-mingles any funds from any other projects or properties and/or entities of the Chargor or Covenantor;

If any of the foregoing Events of Default shall occur then, notwithstanding the provisions of any other agreement between the Chargor and the Chargee and at the option of the Chargee, the whole of the Principal Amount, Interest and any other amount due under this Charge shall immediately become due and payable and the Chargee shall be relieved of any further obligations to advance monies to the Chargor. If an Event of Default is waived by the Chargee, such waiver shall not operate as a waiver of any other, further or continuation of the same Event of Default. In addition, any failure by the Chargee to exercise any rights or remedies hereunder shall not constitute a waiver hereof.

The Chargor covenants and agrees that if the Charge becomes due as a result of a breach, default, or acceleration, the Chargee shall be entitled to the payment of one (1) month's Interest in addition to the whole of the Principal Amount and all accrued Interest in addition to any other remedies available to the Chargee at law or under the Security.

### 13. **DUE ON SALE**

If:

- (a) the Chargor or beneficial owner of the Property directly or indirectly sells, conveys, transfers or otherwise disposes of its interest in the Property or any part thereof or agrees to do so;
- (b) there is a change in the direct or indirect effective voting control of the Chargor or more than 25% of the voting shares/units of the Chargor are transferred unless the Chargor is a publicly traded entity (as hereinafter defined); or
- (c) the Chargor amalgamates or merges;

without the prior written consent of the Chargee being obtained, such consent not to be unreasonably withheld, conditioned, or delayed, then the Chargee may, at its option, declare forthwith due and payable the entire balance of the unpaid principal together with accrued and unpaid interest due thereon. The decision to accelerate the Loan shall be at the sole option of the Chargee. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions. A "publicly traded entity" means an entity whose shares/units are listed and traded on a recognized stock exchange in Canada or the United States.

The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this

Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

No sale or other dealing by the Chargor with the Property or any part thereof shall in any way change or affect the liability of the Chargor hereunder, or in any way alter the rights of the Chargee as against the Property, the Chargor or any other person or persons liable for payment of the Principal Amount, Interest and Costs.

#### 14. **SUBSEQUENT ENCUMBRANCES**

The Chargor shall not, without the Chargee's prior written approval, further charge or otherwise encumber the Property or any interest therein. The Chargor shall disclose to the Chargee all existing or proposed financing relating to the Project and shall not pledge or otherwise encumber its interest in the Property or the Security to any other party, other than the Chargee, without the prior written approval of the Chargee, which may be withheld in its sole discretion. The Chargor consents and agrees to a \$100,000.00 penalty to be added to the Principal Amount to be collected by the Chargee on repayment of the Loan in the event of a default by the Chargor under this Section 14.

#### 15. **RIGHT TO DISTRAIN**

The Chargee, subject to any applicable legislation, may distrain for arrears of any portion of the Principal Amount, Interest or any other amounts due and unpaid hereunder. The Chargor waives all rights to claim exemption and confirms that there is no limit in the amount for which the Chargee may distrain.

#### 16. **CHARGEЕ NOT A CHARGEЕ IN POSSESSION**

It is agreed that the Chargee, in exercising any of its rights under this Charge, shall be deemed not to be a chargee in possession or a mortgagee in possession of the Property.

#### 17. **LEASES AND SPECIFIC ASSIGNMENTS OF LEASES**

If the Chargor intends to lease any part of the Property, then the Chargee must approve the tenant and its intended use. The Chargee may require, in its sole discretion, a statutory declaration, signed by the tenant, of its intended use.

#### 18. **ADDITIONAL SECURITY**

In the event that the Chargee, in addition to the Property, holds or shall hold, in the future, further security on account of the Principal Amount, it is agreed that no single or partial exercise of any of the Chargee's powers under this Charge or any of such further security (this Charge and any such further security are hereinafter together referred to as the "**Security**"), shall preclude other and further exercise of any other right, power or remedy pursuant to the Security. The Chargee shall at all times have the right to proceed against all, any or any portion of the Security in such order and in such a manner as the Chargee shall, in the Chargee's sole and unfettered discretion, deem fit without waiving any rights which the Chargee might have with respect to the Security and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the remaining Security.

#### 19. **FINANCIAL STATEMENTS**

Until repayment of the Loan, the Chargor shall supply the Chargee with such updated information relating to the Project or condition precedent requirements as the Chargee may reasonably request from time to time. Such information shall be provided to the Chargee within 14 days from the date of the Chargee's request. Failure to provide items

19(a) through 19(c) shall, at the option of the Chargee in its sole discretion, constitute an Event of Default under the Charge.

Until repayment of the Loan or upon request, the Chargor and Covenantors shall provide the Chargee within 120 days after the end of each fiscal year of the Chargor:

- (a) audited financial statements of the Chargor, any beneficial owner of the Property, and of any corporate Covenantor, including a balance sheet and supporting schedules, a detailed statement of income and expenditures and supporting schedules, and a statement of change in cash flow; in the case of an individual chargor or additional covenantor, net worth statements may be supplied in lieu of financial statements;
- (b) updated net worth statement for any individual Covenantor;
- (c) notice to reader financial statements in respect of the Property, including a balance sheet and supporting schedules and a detailed statement of income and expenditures and supporting schedules;
- (d) a current rent roll for the Property containing such details as may be required by the Chargee, if applicable; and
- (e) a budget for the Property for the next fiscal year, forecasting operating income, expenses and capital expenditures, if applicable.

Each Chargor and additional Covenantor hereby authorizes the Chargee to obtain such further financial information reasonably requested by the Chargee.

## 20. CREDIT MANAGEMENT

The Chargor acknowledges that it is important to insulate the revenue stream from the Property in order to avoid claims by other projects, commitments or liabilities of the Chargor. If this is not possible, the Chargor agrees to provide the Chargee with a reasonable degree of revenue segregation through separate reporting. In this regard the Chargee will monitor the financial aspects of the Property, depending upon its financial status. The Chargor shall operate a segregated bank account for the Property and the Project during the term of the Loan, and all receipts and payments for the Property and the Project must be deposited into and disbursed from such account. Such funds and account shall not be co-mingled with any funds from other projects, properties, and/or entities of, or related to, any of the Chargor, beneficial owner, or Covenantor.

The Chargor covenants and agrees to provide the Chargee with standalone property reporting, isolating the Property's financial and operating accounts and information from that of other properties owned by the Chargor. The Chargor further covenants and agrees to provide the Chargee with separate financial statements for the Property. In the Event of Default by the Chargor under the Charge that is continuing beyond all applicable cure periods, or if the Chargor seeks relief under the Companies' Creditors Arrangement Act or other debtor relief legislation, the Chargee shall, if possible, be entitled to establish a separate project bank account for the Property.

As security for the aforesaid, an assignment of revenue (general assignment of rents) shall be registered both against title to the Property as well as under the applicable personal property registration system. The assignment of revenue shall take effect automatically, at the Chargee's option, if there is a default under the Charge. In addition, a general security agreement (or equivalent), shall be provided to the Chargee.

## 21. SIGNAGE

The Chargee shall have the right to provide at its cost a sign, no greater than 4 feet x 6 feet, advertising the fact that financing was provided by the Chargee. The sign shall be

erected by the Chargor at its cost in a prominent location on or about the hording or construction fence at a location mutually agreed by the Chargor and the Chargee.

## **22. PAYMENTS**

Any payment made by the Chargor to the Chargee which is received by the Chargee on a non-business day of the Chargee shall be deemed to have been received by the Chargee on the next business day of the Chargee.

## **23. INTENTIONALLY DELETED**

## **24. TAXES**

The Chargor covenants that, in addition to the Monthly Payments of principal and interest payable pursuant to this Charge, the Chargor shall also provide to the Chargee, on the 1<sup>st</sup> day of each month, an amount stipulated by the Chargee sufficient to provide a fund to pay, in full, the annual taxes at the time that the first installments for regular tax bills for such taxes become due and payable. Where the Chargee has made tax payments in excess of those collected, such excess amounts shall be payable on demand and shall be secured by the Charge and bear interest at the interest rate under the Charge. Until there is an Event of Default, the Chargor shall from time to time make payments to the taxing authority when taxes are due. After an Event of Default, the Chargee may, at its sole option, pay taxes with respect to the Property and such payments will be added to the principal balance of the Charge. The Chargee reserves the right to adjust, from time to time, the estimated monthly tax amount payable, based on taxes actually levied against the Property.

## **25. MAJOR ALTERATIONS**

Any major changes, additions and/or alterations, save and except for demolition work proposed in the plans for the Project, including major changes in use of the Property and for proposed use of the Property must receive the Chargee's written consent, such consent not to be unreasonably withheld, conditioned, or delayed, prior to the commencement of the changes, additions and/or alterations. For greater clarity, demolition or removal of debris from the Property shall not be subject to such consent from the Chargee. If the Chargor changes and/or alters the Property without the prior written consent of the Chargee being obtained, then the Chargee may, at its sole option, declare forthwith due and payable the entire balance of the unpaid principal together with the accrued interest due thereon. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

## **26. CONSENT TO DISCLOSURE**

The Chargor and Covenantor consent to the disclosure by the Chargee to any such perspective assignee/participant of all information and documents regarding the Loan, the Chargor and Covenantor within the possession or control of the Chargee.

## **27. RECEIVER**

Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be an Event of Default, the Chargee may, at such time and from time to time and with or without entry into possession of the Property, or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee or employees of the Chargee or not, to be a receiver (which term as used herein includes a receiver manager and also includes the plural as well as the singular) of the Property, or any part thereof, and of the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any

receiver and appoint another in his stead, and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor, but no such appointment shall be revocable by the Chargor. Upon the appointment of any such receiver from time to time the following provisions shall apply:

- (a) Every such receiver shall have unlimited access to the Property as agent and attorney for the Chargor (which right of access shall not be revocable by the Chargor) and shall have full power and unlimited authority to:
  - (i) collect the rents and profits from tenancies whether created before or after these presents;
  - (ii) rent any portion of the Property which may become vacant on such terms and conditions as he considers advisable and enter into and execute leases, accept surrenders and terminate lease;
  - (iii) complete the construction of any building or buildings or other erections or improvements on the Property left by the Chargor in an unfinished state or award the same to others to complete and purchase, repair and maintain any personal property including, without limitation, appliances and equipment, necessary or desirable to render the premises operable or rentable, and take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description;
  - (iv) manage, operate, repair, alter or extend the Property or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Property.

- (b) The Chargee may at its discretion vest the receiver with all or any of the rights and powers of the Chargee.
- (c) The Chargee may fix the reasonable remuneration of the receiver who shall be entitled to deduct the same out of the revenue or the sale proceeds of the Property.
- (d) Every such receiver shall be deemed the agent or attorney of the Chargor and, in any event, the agent of the Chargee and the Chargee shall not be responsible for his acts or omissions except if as a result of gross negligence or willful misconduct.
- (e) The appointment of any such receiver by the Chargee shall not result in or create any liability or obligation on the part of the Chargee to the receiver or to the Chargor or to any other person and no appointment or removal of a receiver and no actions of a receiver shall constitute the Chargee a Chargee in possession of the Property.
- (f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by him in respect of the Property, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:
  - (i) his remuneration aforesaid;
  - (ii) all costs and expenses of every nature and kind incurred by him in connection with the exercise of his powers and authority hereby conferred;

- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Property in priority to these presents, including taxes;
- (iv) to the Chargee all interest, principal and other monies due hereunder to be paid in such order as the Chargee in its discretion shall determine;
- (v) and thereafter, every such receiver shall be accountable to the Chargor for any surplus.

The remuneration and expenses of the receiver shall be paid by the Chargor on demand and shall be a charge on the Property and shall bear interest from the date of demand at the same rate as applies to the principal hereby secured.

- (g) Save as to claims for accounting under clause (f) of this paragraph, the Chargor hereby releases and discharges any such receiver from every claim of every nature, whether sounding in damages or not which may arise or be caused to the Chargor or any person claiming through or under him by reason or as a result of anything done by such receiver unless such claim be the direct and proximate result of dishonesty or fraud or gross negligence.
- (h) The Chargee may, at any time and from time to time, terminate any such receivership by notice in writing to the Chargor and to any such receiver.
- (i) The statutory declaration of an officer of the Chargee as to default under the provisions of these presents and as to the due appointment of the receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a receiver who is ostensibly exercising powers herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual.
- (j) The rights and powers conferred herein in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

Notwithstanding the foregoing or anything else contained herein, the Chargee may also apply to court for the appointment of a Receiver.

## 28. CRIMINAL RATE OF INTEREST

Notwithstanding the provisions of this Charge or in any agreement, instrument or other document held by the Chargee in connection with the Charge, in no event shall aggregate "interest" (as that term is defined in Section 347 of the Criminal Code (Canada)) exceed the effective annual rate of interest on the "credit advanced" (as defined therein) lawfully permitted under the Section. The effective annual rate of interest shall be determined in accordance with generally accepted actuarial practices over the term of the Charge, and in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries selected by the Chargee shall be conclusive for the purposes of such determination.

## 29. INTEREST RESERVE

On closing of the Loan, an interest reserve in the amount of \$225,000 (the "**Interest Reserve**") will be deducted from the amount of the initial advance of the Loan, placed in a Chargee controlled escrow account, and utilized to make the first 5 and last monthly Interest payments as required under the Loan. The Chargor acknowledges that the Interest Reserve has been fully advanced and shall bear interest from and after the date of the initial advance at the Interest Rate. The Interest Reserve is hereby pledged by the Chargor to the Chargee as security for the Loan. If there is an Event of Default, the Chargee shall utilize and apply all or any part of the Interest Reserve toward the



payment of Principal, Interest, costs or other monies owing under the Loan in the Chargee's sole discretion. All Interest earned on the Interest Reserve shall be for the benefit of the Chargee and the Chargee shall not be required separately account for these amounts to the Chargor. To the extent the Interest Reserve has been fully depleted while any part of the Loan indebtedness remains outstanding, the Chargor and Covenantor will jointly and severally undertake to replenish the Interest Reserve accordingly, and failure to do so shall constitute an Event of Default.

### 30. **SOFT COST RESERVE**

Intentionally deleted.

### 31. **SUBSEQUENT ADVANCES**

Intentionally deleted.

### 32. **LOAN DEFAULT ADMINISTRATION AND SERVICING FEE**

The Chargor and Covenantor hereby acknowledge and agree that after the closing of the Loan and at all times following the occurrence of any uncured Event of Default, the Chargor shall pay to the Chargee the Administrator Default Administration Fees set out in Schedule "A" of the Commitment Letter.

If the Chargor fails to repay the Principal Amount on the Balance Due Date, the Chargor shall pay to the Chargee, an amount calculated at a rate of 0.25% per month multiplied by the then outstanding Principal Amount for each month the Loan remains unpaid (the "**Special Servicing Fee**"); and

The Chargor and Covenantor hereby further acknowledge and agree that the Default Administration Fees and Special Servicing Fee are fair and commercially reasonable costs and expenses incurred by the Chargee in connection with the Loan and do not constitute a fine, penalty, or default interest charged on arrears of principal or interest. Until paid by the Chargor to the Chargee all amounts payable on account of such fees (plus applicable taxes if any) will be costs within the meaning of the Security documents delivered pursuant to the Commitment Letter, and together with interest thereon at the applicable Interest Rate, will be added to the Loan indebtedness monthly on the first day of the Chargee's billing cycle and will be secured by the Security documents delivered pursuant to the Commitment Letter.

### 33. **PARTIAL DISCHARGES**

No partial discharges shall be permitted.

### 34. **EXTENSION**

Provided an Event of Default has not occurred and has never occurred during the Term, at the Chargee's sole and unfettered discretion, and upon payment of an extension fee equal to **0.5%** of the outstanding Loan amount (for each extension) (the "**Extension Fee**"), the Chargor shall have one (1) option to extend the Term for an additional six (6) months (the "**Extension Option**") beyond the Balance Due Date (the "**Extension Options**"). In the event that the first Extension Option is exercised, the Balance Due Date shall be revised to the 10th day of the month, which is **19** calendar months after the Interest Adjustment Date. No additional options to extend shall be provided by the Chargee other than those contained in this section.

### 35. **NEGATIVE COVENANTS OF THE CHARGOR**

The Chargor covenants that, without the Chargee's prior written consent, which consent may be arbitrarily withheld, it shall not:

- (a) enter into any shareholder loans with any shareholder of the Chargor,
- (b) distribute dividends of any kind (including, but not limited to, dividends, payment of interest or principal on any shareholder loans, or management fees payable to the Chargor, any beneficial owner, or any Covenantor) to the Chargor, Covenantors, any beneficial owner, or any affiliate thereof or any of the respective directors, officers, and shareholders of them during the term of the Loan.

**36. VALIDITY OF PROVISIONS**

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

**37. TIME OF THE ESSENCE**

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

**38. INTERPRETATION AND HEADINGS**

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

**SCHEDULE "B"**  
**Legal/Property Description**

<i>Registered Owner</i>	<i>PIN No(s).</i>	<i>Legal Description</i>
Ajax Meadows Ltd.	26429-0003 (LT)	PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX LRO: Durham (No. 40)

**THIS IS EXHIBIT "D"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

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A commissioner for taking affidavits

## GENERAL SECURITY AGREEMENT

### 1. SECURITY INTEREST

- (a) For value received, Ajax Meadows Ltd. (the "**Debtor**"), hereby grants to Vector Financial Services Limited and Olympia Trust Company (collectively, the "**Lender**"), by way of assignment and transfer, a security interest (the "**Security Interest**") in the undertaking of the Debtor and in all Goods (including all parts, accessories, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Accounts, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor relating to the Property described in Schedule "A" annexed hereto (including such as may be returned to or repossessed by the Debtor) and in all Proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called "**Collateral**"), including without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
- (i) all present and future equipment of the Debtor, including all machinery, appliances, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto ("**Equipment**");
  - (ii) all present and future inventory of the Debtor, including all raw materials, materials used or consumed in the business or profession of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ("**Inventory**");
  - (iii) all book accounts and book debts and generally all accounts, receivables, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor ("**Accounts**");
  - (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
  - (v) all present and future intangible personal property of the Debtor, including all contract rights, licences, goodwill, patents, trademarks, copyrights and other industrial property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing ("**Intangibles**");
  - (vi) all monies other than trust monies lawfully belonging to others;

- (vii) all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the Business Corporations Act, 1990, (Ontario) and all substitutions therefor and dividends and income derived therefrom ("**Securities**");
  - (viii) all Personal Property now in or in the future located at the premises of the Debtor described in Schedule "A" annexed or described in any schedule hereafter annexed or in any subsequent security agreement related to the Indebtedness of the Debtor and belonging to the Debtor.
- (b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such term.
  - (c) The terms "Goods", "Chattel Paper", "Documents of Title", "Equipment", "Consumer Goods", "Accounts", "Money", "Instruments", "Intangibles", "Securities", "Proceeds", "Inventory", "Personal Property", and "Accession" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act (Ontario), as amended from time to time (herein referred to as the "**P.P.S.A.**"). Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The term "Proceeds", whenever used herein and interpreted as above shall, by way of example, include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected or otherwise disposed of.

## 2. **INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of the Debtor to the Lender arising out of a certain mortgage delivered by the Debtor to the Lender for the principal sum of **FOUR MILLION DOLLARS (\$4,000,000.00)** and given in accordance with a commitment letter dated October 6, 2022, as amended by a commitment letter amendment dated October 28, 2022, as may be further amended from time to time (collectively, the "**Commitment Letter**"), which indebtedness shall be fully satisfied upon payment in full of the said mortgage (hereinafter collectively called the "**Indebtedness**").

## 3. **REPRESENTATIONS AND WARRANTIES OF DEBTOR**

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

- (a) The Collateral is genuine and owned legally by the Debtor, free of all interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on **Schedule "B"** or hereafter approved in writing by the Lender, prior to their creation or assumption;
- (b) Each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors is owing except for normal cash discounts where applicable, and the Debtor will use its best efforts to insure that no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise; and
- (c) The location specified in Schedule "A" as to business operations, the location of Collateral and records is accurate and complete.

#### 4. COVENANTS OF THE DEBTOR

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

- (a) To defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and those shown on Schedule "B" or hereafter approved in writing by the Lender, prior to their creation or assumption and not to sell, exchange, transfer, assign, lease, otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; provided always that, until the occurrence of an Event of Default, as hereinafter defined, the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to Clause 6 hereof, use monies available to the Debtor;
- (b) To notify the Lender promptly of:
  - (i) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or Collateral;
  - (ii) the details of any significant acquisition of Collateral;
  - (iii) the details of any claims or litigation affecting Collateral;
  - (iv) any material loss or damage to Collateral;
  - (v) any material Event of Default (as hereinafter defined) by any Account Debtor in payment or other performance of his obligations with respect to Collateral; and
  - (vi) the return to or repossession by the Debtor of Collateral;
- (c) To keep the Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security

Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

- (d) To do, execute, acknowledge and deliver such further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all reasonable costs for searches and filings in connection therewith;
- (e) To pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Collateral as and when the same become due and payable;
- (f) To insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Debtor, as insureds, as their respective interest may appear, and to pay all premiums therefor;
- (g) To prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this Security Agreement;
- (h) To carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;
- (i) To deliver to the Lender from time to time promptly upon request:
  - (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
  - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
  - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
  - (iv) all policies and certificates of insurance relating to Collateral; and
  - (v) such information concerning Collateral, the Debtor and business and affairs as the Lender may reasonably request;
- (j) To have the premises at which the Debtor carries on business or where Collateral is located professionally managed at all times. Lender acknowledges that the Debtor is a professional property manager, and is currently managing the Property (as defined in Schedule "A" to the Charge).



5. **USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with the Debtor's covenants herein and Clause 6 hereof, the Debtor may, until the occurrence of an Event of Default (as defined in the Charge), possess, operate, use, enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access, upon forty-eight (48) hours' notice, to all places where Collateral may be located and to the premises described in Schedule "A".

6. **COLLECTION OF DEBTS**

After an Event of Default (as hereinafter defined) under this Security Agreement, if the Lender believes that its security is impaired, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after an Event of Default under this Security Agreement shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request if the Lender believes that its security is impaired.

7. **DISPOSITION OF MONIES**

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

8. **EVENTS OF DEFAULT**

Has the meaning ascribed to it in Schedule "A" to the Charge in favour of the Lender.

9. **REMEDIES**

- (a) Upon an Event of Default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. The Chargee may also apply to court for the appointment of a Receiver. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Lender and the Lender shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instruments appointing him, any such Receiver shall have the power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise

dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Lender, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

- (b) Upon an Event of Default, the Lender may, either directly or indirectly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing subclause (a).
- (c) The Lender may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon an Event of Default, the Lender may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender may deem reasonable.
- (d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after an Event of Default, all rights and remedies of a secured party under the P.P.S.A. provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.
- (e) The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed if practicable.
- (f) The Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or indirectly for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any monies owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first

charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

- (g) The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.
- (h) Upon failure of the Debtor to have its premises professionally managed in accordance with Clause 4(j) hereof, the Lender may, but shall not be obligated to appoint such professional manager or managers, as it may deem necessary in its sole discretion, to manage such premises at the sole expense of the Debtor.

10. **MISCELLANEOUS**

- (a) The Debtor hereby authorizes the Lender to file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted encumbrances affecting Collateral) as the Lender may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints the Lender the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- (b) Upon the Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all such duties, and the Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate per annum set forth in the said mortgage.
- (c) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name on any and all cheques, commercial paper, and any other Instrument pertaining to or constituting Collateral.
- (d) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any Event of Default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent Event of Default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

- (e) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, subject to Clause 9(g) hereof, notice of any other action taken by the Lender.
- (f) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- (g) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a Written Agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- (h) Subject to the requirements of Clauses 9(g) and 10(e) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon that other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered to the party for whom it is intended at the principal address of such party set forth in the Charge or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the principal address of such party set forth in the Charge or as changed pursuant hereto. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purpose hereof.
- (i) This Security Agreement and the security afforded hereby shall remain in full force and effect until all Indebtedness contracted for or created, shall be paid in full.
- (j) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.
- (k) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.
- (l) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.
- (m) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- (n) The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Lender.

11. **COPY OF AGREEMENT AND ATTACHMENT**

The Debtor hereby acknowledges receipt of a copy of this Security Agreement and that the parties do not intend any postponement of the attachment of the Security Interest to the Collateral.

**[signature lines on next page]**

**IN WITNESS WHEREOF** the Debtor has executed this Security Agreement under the hand of its authorized signing officer(s) as of the 24th day of November, 2022.

**AJAX MEADOWS LTD.**

By: 

Name: Sameer Khan

Title: President

*I have authority to bind the corporation*

**SCHEDULE "A"****Description of Land**

<i>Registered Owner</i>	<i>PIN No(s).</i>	<i>Legal Description</i>
Ajax Meadows Ltd.	26429-0003 (LT)	PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX LRO: Durham (No. 40)

**SCHEDULE "B"**

**Permitted Encumbrances**

Nil.



**THIS IS EXHIBIT "E"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

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A commissioner for taking affidavits



LAND  
REGISTRY  
OFFICE #40

26429-0003 (LT)

PAGE 1 OF 4  
PREPARED FOR KimberleyReid  
ON 2024/04/08 AT 11:45:59

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

PROPERTY DESCRIPTION: PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX

PROPERTY REMARKS:

ESTATE/QUALIFIER:  
FEE SIMPLE  
ABSOLUTE

RECENTLY:  
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:  
1998/05/11

OWNERS' NAMES  
AJAX MEADOWS LTD.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p><b>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/05/11 ON THIS PIN**</b></p> <p><b>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/05/11**</b></p> <p><b>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/05/08 **</b></p> <p>NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY</p>						
LT350619	1987/09/21	CHARGE		*** COMPLETELY DELETED ***	THE JOSEPH AND FANNY TANENBAUM CHARITABLE FOUNDATION THE ESTHERELKE TANENBAUM CHARITABLE FOUNDATION THE WAYNE TANENBAUM CHARITABLE FOUNDATION THE FRANCES TANENBAUM CHARITABLE FOUNDATION THE JOSEPH TANENBAUM CHARITABLE FOUNDATION	
LT418279	1988/11/14	CHARGE		*** DELETED AGAINST THIS PROPERTY ***	BANK OF MONTREAL	
LT418280	1988/11/14	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY ***		
REMARKS: LT350619, LT418279						
40M1677	1991/11/26	PLAN SUBDIVISION				C
LT574933	1991/12/04	NOTICE AGREEMENT			THE REGIONAL MUNICIPALITY OF DURHAM	C
LT575345	1991/12/06	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF AJAX	C
DR430812	2005/09/23	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: AIRPORT ZONING REGULATIONS						
DR1105428	2012/07/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE JOSEPH AND FANNY TANENBAUM CHARITABLE FOUNDATION THE ESTHERELKE TANENBAUM CHARITABLE FOUNDATION		

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



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26429-0003 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
				THE WAYNE TANENBAUM CHARITABLE FOUNDATION THE FRANCES TANENBAUM CHARITABLE FOUNDATION THE JOSEPH TANENBAUM CHARITABLE FOUNDATION		
				REMARKS: LT350619.		
DR1106887	2012/07/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** BANK OF MONTREAL		
				REMARKS: LT418279.		
DR1107122	2012/07/23	TRANSFER		*** COMPLETELY DELETED *** RUNNYMEDE DEVELOPMENT CORPORATION LIMITED	REXELL DEVELOPMENTS LTD.	
				REMARKS: PLANNING ACT STATEMENTS		
DR1710222	2018/06/14	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** REXELL DEVELOPMENTS LTD.	REXELL DEVELOPMENTS INC.	
DR1725300	2018/08/08	TRANSFER		*** COMPLETELY DELETED *** REXELL DEVELOPMENTS INC.	HARKINS RIDGE DEVELOPMENT INC.	
				REMARKS: PLANNING ACT STATEMENTS.		
DR1725301	2018/08/08	CHARGE		*** COMPLETELY DELETED *** HARKINS RIDGE DEVELOPMENT INC.	REXELL DEVELOPMENTS INC.	
DR1730705	2018/08/28	CHARGE		*** COMPLETELY DELETED *** HARKINS RIDGE DEVELOPMENT INC.	LENDEASE DIRECT MORTGAGE INVESTMENT CORPORATION	
DR1730706	2018/08/28	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** HARKINS RIDGE DEVELOPMENT INC.	LENDEASE DIRECT MORTGAGE INVESTMENT CORPORATION	
				REMARKS: DR1730705.		
DR1885948	2020/04/09	CHARGE		*** COMPLETELY DELETED *** HARKINS RIDGE DEVELOPMENT INC.	2642322 ONTARIO INC.	
DR1886616	2020/04/14	NOTICE		*** COMPLETELY DELETED *** HARKINS RIDGE DEVELOPMENT INC.	2642322 ONTARIO INC.	
				REMARKS: DR1885948		
DR1903846	2020/06/22	NOTICE		*** COMPLETELY DELETED *** GLOBAL TRADE ADVISORS LTD.		
DR1956443	2020/12/16	TRANS POWER SALE	\$2,000,000	REXELL DEVELOPMENTS INC.	AJAX MEADOWS LTD.	C
				REMARKS: DR1725301.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
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\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
DR1956444	2020/12/16	CHARGE		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.	FORGIONE, ROCCO	
DR1959046	2020/12/23	CHARGE		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.	KUBER MORTGAGE INVESTMENT CORPORATION	
DR1959047	2020/12/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.	KUBER MORTGAGE INVESTMENT CORPORATION	
		<i>REMARKS: DR1959046</i>				
DR1969762	2021/02/02	NOTICE		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.	KUBER MORTGAGE INVESTMENT CORPORATION	
		<i>REMARKS: DR1959046</i>				
DR2128437	2022/05/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** KUBER MORTGAGE INVESTMENT CORPORATION		
		<i>REMARKS: DR1959046.</i>				
DR2191687	2022/11/24	APL (GENERAL)		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.		
		<i>REMARKS: DELETE DR1903846</i>				
DR2191762	2022/11/24	CHARGE	\$4,000,000	AJAX MEADOWS LTD.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	C
DR2191763	2022/11/24	NO ASSGN RENT GEN		AJAX MEADOWS LTD.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	C
		<i>REMARKS: DR2191762.</i>				
DR2192156	2022/11/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** FORGIONE, ROCCO		
		<i>REMARKS: DR1956444.</i>				
DR2192160	2022/11/25	RESTRICTION-LAND		AJAX MEADOWS LTD.		C
		<i>REMARKS: NO FURTHER CHARGE OF SUCH LANDS WITHOUT THE PRIOR CONSENT OF VECTOR FINANCIAL SERVICES LIMITED</i>				
DR2210910	2023/02/15	CAUTION-LAND		*** COMPLETELY DELETED *** AJAX MEADOWS LTD.	XAVIER, ANTON FRANCIS	
		<i>REMARKS: EXPIRES 60 DAYS FROM 2023 02 15</i>				
DR2211583	2023/02/17	WITHDRAWAL CAUTION		*** COMPLETELY DELETED *** XAVIER, ANTON FRANCIS		
		<i>REMARKS: DR2210910.</i>				

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



LAND  
REGISTRY  
OFFICE #40

26429-0003 (LT)

PAGE 4 OF 4  
PREPARED FOR KimberleyReid  
ON 2024/04/08 AT 11:45:59

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR2211649	2023/02/21	CHARGE	\$1,000,000	AJAX MEADOWS LTD.	2439656 ONTARIO INC. MAX CAPITAL CORP.	C

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

**THIS IS EXHIBIT "F"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

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A commissioner for taking affidavits

LRO # 40 **Charge/Mortgage****Registered as DR2211649** on 2023 02 21 at 09:42

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

yyyy mm dd Page 1 of 8

**Properties**

*PIN* 26429 - 0003 LT *Interest/Estate* Fee Simple  
*Description* PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX  
*Address* AJAX

**Chargor(s)**

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

*Name* AJAX MEADOWS LTD.  
*Address for Service* 521 Rossland Rd E, Ajax, Ontario, L1Z  
 OK8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

**Chargee(s)**

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
2439656 ONTARIO INC.	Tenants In Common	as to a 50% interest
<i>Address for Service</i> 145-2960 Drew Rd, Mississauga, Ontario L4T 0A5		
MAX CAPITAL CORP.	Tenants In Common	as to a 50% interest
<i>Address for Service</i> 145-2960 Drew Rd, Mississauga, Ontario L4T 0A5		

**Statements**

Schedule: See Schedules

In accordance with registration DR2192160 registered on 2022/11/25, the consent of VECTOR FINANCIAL SERVICES LIMITED and OLYMPIA TRUST COMPANY has been obtained for the registration of this document.

**Provisions**

*Principal* \$1,000,000.00 *Currency* CDN  
*Calculation Period* Annually  
*Balance Due Date* 2023/03/28  
*Interest Rate* 43.33% per annum  
*Payments*  
*Interest Adjustment Date* 2023 02 14  
*Payment Date* Lumpsum interest for entire term.  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 200033  
*Insurance Amount* Full insurable value  
*Guarantor*

**Signed By**

Manpreet Singh Minhas 145-2960 Drew Road acting for Signed 2023 02 21  
 Mississauga  
 L4T 0A5 Chargor(s)

Tel 905-671-9244

Fax 905-671-9245

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

**Submitted By**

MINHAS LAWYERS LLP 145-2960 Drew Road 2023 02 21  
 Mississauga  
 L4T 0A5

Tel 905-671-9244

Fax 905-671-9245

LRO # 40 **Charge/Mortgage**

**Registered as DR2211649** on 2023 02 21 at 09:42

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

yyyy mm dd Page 2 of 8

**Fees/Taxes/Payment**

Statutory Registration Fee	\$69.00
Total Paid	\$69.00

**File Number**

Chargor Client File Number :	M23041
Chargee Client File Number :	521 ROSSLAND RD E, AJAX, ONTARIO L1Z 0K8



## SCHEDULE OF ADDITIONAL PROVISIONS

The clauses in this Schedule of Additional Provisions are additional to those contained in the set of Standard Charge Terms No. 200033, under the Land Registration Reform Act which also forms an integral part of this mortgage agreement. Should there be any conflict between a clauses in this Schedule shall apply. The schedule contains 39 clauses.

1. In this Schedule:

(a) "Property" shall mean the land and premises described in the Charges;

(b) "Mortgagor" shall mean the "Chargor" described in the Charge, and the Chargor's successors and assigns; and

(c) "Mortgagee" shall mean the "Chargee" described in the Charge, and the Chargee's successors and assigns; and

(d) "Mortgage" shall mean this Charge.

2. If any of the forms of words contained herein are contained in Column One of Schedule B of the Short Forms of Mortgages Act, R.S.O. 1990, and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Charge shall be interpreted as if the Short Forms of Mortgages Act were still in full force and effect.

### PREPAYMENT PRIVILEGE

~~3. PROVIDED that the charger/Mortgagor, when not in default here under, shall have the privilege of prepaying the whole of principal sum (plus discharge fee as per paragraph 38) hereby secured, on any payment date, upon 90 day's notice or payment to the charge/mortgagee of an amount equivalent to Three (3) months interest on the amount so prepaid by way of bonus.~~

~~4. This is an Interest only Mortgage.~~

**The borrower paid the prepaid interest under this mortgage for entire term. The entire Fee and Interest is non refundable in case the borrower paid out this mortgage before maturity.**

### POSTDATED CHEQUES

~~5. The Mortgagor agrees to provide to the Mortgagee a series of postdated cheques (as mentioned in the mortgage commitment) for each lender indicated on the Charge, for payments due thereunder. Failure to provide such cheques shall constitute a default under the Charge at the sole option of the Chargee.~~

6. Default herein will be defined as the time commencing on the date any payment is due and concluding on the date that such payment is actually made and successfully negotiated.

7. Further that in the event that the within Charge is a second or subsequent Charge upon the subject property, and default occurs in relation to any Charge registered in priority to the within Charge, the Mortgagor acknowledges that the Mortgagee shall have the opinion of bringing the said prior Charge into good standing or alternatively paying the entirety of the principal amount then due and owing upon the said prior Charge and all monies so paid by the Mortgagee shall bear interest at the interest rate specified in the within charge from and after the date of such payment or payments by the Mortgagee and the Mortgagor shall be responsible to repay all such monies to the Mortgagee in addition to the principal amount hereby secured, together with all accrued interest due and owing hereunder.

8. Upon default in payment of principal or interest under this Charge or in performance of any of the terms and conditioned hereof, the Mortgagee may enter into and take possession of the Property free from all manner of former conveyances, mortgages, charges or encumbrances without the let, suite, hindrance, interruption or denial of the Mortgagor or other persons whatsoever.

9. The Mortgagor shall pay all taxes, rates and assessments, municipal, local, parliamentary or otherwise, when and ad they become due shall provide the Mortgagee with the receipt of the municipality in which the Property is located within 30 days from the final date for each payment for that year. Failure to provide the required receipt shall entitle the Mortgagee to obtain evidence of payment of taxes may, at the option of the Mortgagee, be considered a default under the Charge.

10. The Mortgagee may be writing under the hand of any solicitor or agent authorized on his / her behalf, upon any default whatsoever on the part of the Mortgagor in payment of any principal, interest or any other monies owing hereunder, or in the observance of any of the covenants and conditions herein contained, appoint a Receiver or Manager, or Receiver and Manager, or Receiver-Manager (the "Receiver") of the Property or any portion thereof, and every such Receiver shall be deemed the agent of the Mortgagor, and the Mortgagor shall be solely responsible for the acts or defaults of the Receiver and the Receiver shall have power to demand, recover and receive all the income of the Property of which he may be appointed Receiver, by action, distress or otherwise, either in the name of the Mortgagor or the Mortgagee, and may give effectual receipts thereof. Every such Receiver may in writing at the discretion of the Mortgagee be vested with any or all of the powers and discretion of the Mortgagee herein contained, and such Receiver may complete the construction of any uncompleted structure or carry on the business of the Mortgagor relating to the Property or any part thereof and may exercise all the powers conferred upon the Mortgagee hereunder. The Receiver may be removed in which case and if any Receiver dies or refuses to act becomes incapable of acting, a new Receiver may be appointed from time to time by the Mortgagee by writing under the hand of any authorized solicitor or agent as aforesaid. The Mortgagee may from time to time fix the remuneration of every such Receiver and may recompense every such Receiver for his disbursements properly incurred in carrying out his/her duties', and his/her fees and such payments shall be charge upon the Property, shall be payable on demand and shall bear interest at the rate or rates hereunder. The Mortgagee shall not be deemed to be Mortgagee in possession and shall not be accountable except for the monies actually received by it, and the person paying money to or in any way dealing with the Receiver shall not be concerned to inquire whether any cause has happened to authorize the Receiver to act. Subject to the retention of his remuneration and disbursements as aforesaid, the Receiver shall apply all monies received by him in such of the following modes and in such order or priority as the Mortgagee may from time to time at its option direct in writing, namely, in discharge of all rents, taxes, assessments and outgoings whatsoever affecting the Property; and in payment of any amounts due under any mortgage or lien; and in payment of any premiums on fire or other insurance, if any, properly payable under this Charge, payment of which is directed or confirmed in writing by the Mortgagee: and in payment of the costs of executing necessary or proper repairs to the Property or any part thereof, directed or confirmed in writing by the Mortgagee; and in payment of the costs of carrying out or executing any of powers, duties or discretions which vest in or may be vested in the Receiver by reason of provisions contained in this subparagraph; and in payment of the interest accruing due under this Charge, and in towards the discharge of the principal money or any installments under this Charge, if and to the extent directed in writing by the Mortgagees; and shall pay the residue, if any, out of the money received by him/her to the person who but for the possession of the Receiver would have been entitled to receive the income of which he/she is appointed Receiver.

11. No remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every such remedy given under this Charge or any security collateral hereto or thereto or now or hereafter existing at law or in equity or by statute. Every power and remedy given by this Charge to the Mortgagee may be exercised from time to time as often as may be deemed expedient by the Mortgagee.

12. If, in enforcing the right of the Mortgagee, the Mortgagee go into possession of the Property, the Mortgagor shall not interfere with the Mortgagee's possession of any Receiver the Mortgagee may appoint nor with that of any person to whom the Property is leased or sold, and the Mortgagor will not make any claim against any person to whom the Property may be leased or sold.

13. The Mortgagee shall not be responsible for any loss arising in the course of enforcing its rights unless such loss is a direct result of the Mortgagee's willful neglect.

#### **DISPOSITION OF THE MORTGAGED LANDS**

14. In the event that the Mortgagor sell, convey, transfer or assign the Property of a purchaser, transferee or an assignee, without first obtaining consent of the Mortgagee in writing (which consent may be unreasonably or arbitrarily withheld) at the option of the Mortgagee all monies secured by this Charge shall become due and payable upon demand. for the purposes of this clause, a change in voting control of the Mortgagor, if the Mortgagor are corporations or in beneficial ownership shall be deemed to constitute a sale of the Property.

15. In the event that the Mortgagor further charge, mortgage or otherwise encumber the Property in any way without first obtaining the written consent of the Mortgagee, which consent can be unreasonably withheld, then at the option of the Mortgagee all monies secured by this Mortgage shall become due and payable on demand.

16. Provided further that the Mortgagor shall provide the Mortgagee with a series of post-dated cheques at the commencement of the within mortgage and upon each anniversary thereafter during the term of the mortgage, each cheque to be in the amount of the monthly installment of interest due under this mortgage. In the event that any cheque presented for payment is not honored the Mortgagor shall pay to the Mortgagee for each such default an administration fee of \$1000.00.

17. Provided further that additional principal or payout in full shall be received by the Mortgagee not later than 1:00p.m. on a regular banking day or the Mortgagor shall pay to the Mortgagee interest on the amount paid to the next regular banking date.

18. Provided that all privileges included in this mortgage shall neither extend nor survive past that maturity date of the mortgage.

#### **ALTERATIONS**

19. The Mortgagor will not make or permit to be made any structural alterations or additions to the land or change or permit to be changed the use of the premises without the written consent of the Mortgagee and he will promptly observe, perform, execute and comply with all legislation, laws, rules, requirements, orders, directions, ordinances and regulations of every governmental authority or agency concerning the land and will at his/her own cost and expense make any and all improvements thereon or alterations thereto, structural or otherwise, ordinary or extraordinary, which may be required at any time by such present or future law, rules, requirements, order, direction, ordinance of regulations.

#### **SEVERABILITY OF TERMS**

20. The terms and provisions contained in the commitment letter between the Mortgagee and the Mortgagor in regard to this Charge shall form part of this Charge and shall survive and not merge on the registration of this Charge and shall continue in full force and effect thereafter and in the event of inconsistency, the terms of the said commitment letter shall prevail.

21. In the event that any covenant, term or provision contained in this Charge is held to be invalid, illegal or unenforceable, in whole or in part, then the validity, legality and enforceability of the remaining covenants, provisions and terms shall not be affected or impaired thereby, and all such remaining covenants, provisions and terms hereof are declared to be separate and distinct covenants, provisions or terms as the case may be.

#### **MATRIMONIAL HOME/PRINCIPAL RESIDENCE**

22. In the event that any part of the property herein becomes the matrimonial home of the Mortgagor herein, then the monies secured hereby shall become due and payable unless the spouse of such party consents to this mortgage and releases to the Mortgagee his or her interest herein. in further event that the subject property is not used as the principal residence of the Mortgagor, then all amounts, whether principal, interest or otherwise that may be owing hereunder, including Administration fees and bonuses, shall be immediately due and payable at the sole option of the Charge.

#### **ASSIGNMENT OF RENTS**

23. The Mortgagor hereby assigns all rental income and profits derived from the mortgaged property to the Mortgagee as additional collateral security for the repayment of the indebtedness and performance of the covenants contained in this Mortgage.

#### **EXPROPRIATION**

24. PROVIDED that if the said lands shall be expropriated by any government authority, body or corporation clothed with the powers of expropriation, the amount of the principal hereby secured remaining unpaid shall forthwith become due and payable together with interest at the said rate to the date of payment and together with a bonus equal to the sum of three (3) month's interest at the said rate calculated on the remaining principal sum or balance thereof remaining unpaid would otherwise under the provisions of this Mortgage become due and payable.

#### **FARM DEBT MEDIATION ACT**

25. Provided further that the Mortgagor represent and warrant that they are not a "Farmer" as defined in the Farm Debt Mediation Act and the Mortgagor further covenant and agree that during the currency of the within Mortgage they will not engage in any activity which of the Farm Debt Mediation Act. In the event that the Mortgagor fail to comply with the within provision, the within Mortgage shall, at the

Mortgagees' option, immediately become due and payable in full, together with three (3) months' interest thereon.

**NO DEEMED REINVESTMENT**

26. Notwithstanding the reference herein to the interest rate on a per annum basis and notwithstanding any other provision herein contained, the parties hereto acknowledge that it is their intention that the interest rate shall at all times be payable and calculated monthly at a rate per month equal to 1/12th of the yearly rate as hereinbefore referred to and the Mortgagee shall not be deemed to have reinvested any monthly or other payments by it hereunder.

**INSULATION**

27. The subject property is not, and has never been insulated with urea formaldehyde foam insulation, and the Mortgagor will not permit such insulation to be used in the construction or renovation of any future improvement to the subject property. In the event that the Mortgagee determines that any portion of the subject property is, or has been, so insulated, then all amounts, whether principal, interest or otherwise that may be owing hereunder, including Administration Fees and bonuses, shall be immediately due and payable at the sole option of the Mortgagee.

**CONSTRUCTION LIEN ACT**

28. No portion of the proceeds of this Mortgage is to be used to finance any construction, alterations, renovations or improvements to the subject property within the meaning of the Construction Lien Act (Ontario) (or similar provincial legislation in the jurisdiction containing the subject the property) or to repay a Mortgage which was taken out for this purpose, failing which all amounts, whether principal, interest or otherwise that may be owing hereunder, including Administration Fees and bonuses, shall be immediately due and payable at the sole option of the Mortgagee.

If any amount of money is claimed in priority over this Mortgage pursuant to the Construction Lien Act (Ontario) (or similar provincial legislation in the jurisdiction containing the subject property) and of the Mortgagee is obliged to pay any amounts owing under the said Act, same may be added to the principal amount outstanding under the Mortgagee at the sole option of the Mortgagee.

**BANRUPTCY AND INSOLVENCY ACT**

29. The Mortgagor represents and warrants that he/she is not an "undischarged bankrupt" as defined in the Bankruptcy and Insolvency Act (Canada). In the event that the Mortgagor are an "undischarged bankrupt", than all amounts, whether principal, interest or otherwise that may be owing hereunder including Administration Fees and bonuses together with a three (3) months' interest payment thereon shall be immediately due and payable at the sole option of the Mortgagee.

**CHANGE OF OWNERSHIP**

30. Should there be any change in the beneficial ownership, or if any portion of the property subject to the mortgage is sold or in any other way disposed of by the current owner the outstanding amount of the mortgage must be repaid in full.

**BY-LAW CONFORMITY AND OCCUPANCY CLAUSE**

31. PROVIDED that if at any time the said property and/or the building(s) located on the said property, do not comply with the municipal by-laws, or the by-laws of any other level of government and/or the building becomes unoccupied, then in either of these events the balance of the principal monies hereby secured, together with interest as herein provided shall forthwith become due and payable upon demand. PROVIDED further that nothing herein shall be construed so as to permit the Mortgagor the privilege of prepaying the said Mortgage in whole or in part.

**WELL WATER ANALYSIS**

32. In the event that the subject property is not municipal water supply, the Mortgagee requires satisfactory bacteriological analysis of well water by the Ministry of Health.

**LIQUIDATED DAMAGES**

33. provided that on default of the within Charge leading to power of sale, the Mortgagor shall pay to the Mortgagee three (3) months' interest payment as liquidated damages. Any discharge of this

Mortgage shall be prepared by the Mortgagee's solicitor at the expense of the Mortgagor. Provided further that should the subject property be converted from the personal residence of the Mortgagor to a rental property, then and in that event, all amounts, whether principal, interest or otherwise that may be owing hereunder, including administration fees and bonuses, shall be immediately due and payable at the sole option of the Mortgagee, together with three (3) months' interest thereon.

**ADVANCE OF MORTGAGE MONEYS**

34. Neither the preparation, execution, nor registration of this Mortgage shall bind the Mortgagee to advance the principal amount secured, nor shall advance of a part of moneys secured hereby bind the Mortgagee to advance any unadvanced portion thereof, but nevertheless the estate hereby conveyed shall take effect forthwith upon the execution of these presents by the Mortgagor. The expenses of the examination of the title and of this Mortgage and valuation are to be secured hereby in the event of the whole or any balance of the principal sum not being advanced, same to be charged hereby on the subject property, and shall be without demand thereof, payable forthwith with interest at the rate provided for in this Mortgage, and in default the Mortgagee power of sale hereby given, and all other remedies hereunder, shall be exercisable.

**CRIMINAL ACTIVITY**

35. In the event that any activity which violates the Canadian Criminal Code or any other law of regulation of any legally competent authority is conducted on the mortgaged premises, the mortgagee may at his/her option declare all monies owing herein, immediately due and payable, together with an administrative fee equal to three (3) months' interest on the mortgage principal.

**"MORTGAGEE" MAY HAVE PLURAL MEANING**

36. Whenever the singular or the masculine pronoun is used throughout this mortgage the same shall be constructed as meaning the plural or the feminine (or neuter in the case of a company) where the context or the parties hereto so require, and in any case where this mortgage is executed by more than one party all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several.

**RENEWAL OF MORTGAGE:**

37. Should the Lender's mortgage not be repaid in full on the maturity date, the Borrower and Lender agree that the Term may be renewed for an additional period of one (1) month bearing interest at a rate equal to 17.00% (the "Renewal Term"), at the Lender's sole option and without notice to the Borrower. Upon the commencement of the Renewal Term, the Borrower shall pay a fee to the Lender equal to the Placement Fee (the "Renewal Fee"). The Renewal Fee shall be due and owing on the first day of the Renewal Term and shall be added to the amount secured by the Lender's mortgage. For clarity, the Borrower's agreement to repay the Loan on the expiration date of the Term is a critical term of this agreement. The parties acknowledge that the Renewal Fee is meant and designed to serve as a measure to ensure that the Loan is repaid in whole and on time.

**DISCHARGE**

38. upon the balance due date of the principal and interest secured hereunder or any renewal thereof, the Mortgagor shall be deemed to have requested the Mortgagee's solicitor to prepare the discharge documents for this charge and shall pay the following fees to the Mortgagee's solicitor ONLY:

- Discharge Fee - \$1,000.00 plus HST per property
- Mortgage Statement Fee - \$750.00 plus HST
- Legal Fees to Discharge Mortgage - \$1,200.00 Plus HST per property.
- Discharge Registration Fee - \$82.00 per property

In addition, in the event that the Mortgagor requires the Mortgagee to attend on the closing of a refinancing or sale transaction, the Mortgagor shall pay all disbursements incurred by the Mortgagee's solicitor including courier and conveyancing fees.

**SERVICING FEE**

In the event that the Mortgagee is called upon to pay any payment in order to protect its security position, including but not limited to the payment of realty taxes insurance premiums, condominium common expense fees, principal, interest or costs under prior mortgage, it is agreed that such payment bear interest at the rate of eighteen (18%) percent per annum, calculated and compounded monthly

and that there shall be a service charge of not less than \$500.00 for making each such payment or payments.

**ADDITIONAL FEES**

The Mortgagor agrees that should the Mortgagee issue either a Notice of Sale or Statement of Claim, that the Mortgagee, at its option, shall be entitled to charge an additional fee equivalent to three (3) months' interest.

The Mortgagor agrees that should the Mortgage not be renewed or discharged on the maturity date that the Mortgagee, at its option, shall be entitled to charge an additional fee equivalent to three (3) months' interest.

**ADMINISTRATION FEES**

Default Proceedings; Payable for each demand, action or proceeding instituted: \$1,000.00 for each of the following: Demand Letter; Notice of Intention to Enforce Security; Notice of Sale; Statement of Claim; Summary Judgment; Writ of Possession.

Possession: For attending to take possession following default: \$2,500.00

Maintenance: Payable for administrating maintenance and security of the property in our possession - \$100.00 per day including, but not limited for each day of any default under this Charge/Mortgage

The Mortgagor shall pay to the Mortgagee an administration fee of \$500.00 for the occurrence of any of the following events, unless otherwise indicated:

1. Missed Payment: payable for each missed or late installment and for replacing and processing each NSF cheque or returned payments;
2. Insurance: Payable for dealing with each cancellation, premium payment or other non-compliance with insurance requirements;
3. Purchaser Approval: For processing each application for assumption, whether or not approved or completed;
4. Tax Default Fee: For failure by the Borrower to provide satisfactory confirmation of tax payments;
5. Annual Tax Account Administration Fee: For administering and maintaining a property tax account;
6. Failure to provide postdated cheques;
7. Mortgage Statements: For preparation of each statement;
8. Discharge Statements: For preparation of each statement;
9. Discharge Fee: For execution of all discharge-related documentation;
10. Inspection Fee - (whether drive by or on-site);
11. Default under prior mortgage, charge or encumbrance;
12. Administration fee or default - \$350.00 per occurrence will be charged for late or missed cheques or collection phone calls or letters; and
13. Lender's fee stated in the mortgage commitment will be prorated and added to the principal after due date if the mortgage is not renewed or paid out.

All such administration fees, if applicable will be added to the principal amount then outstanding if not paid within five (5) days of demand for payment of same. In the event of a further occurrence as set out herein, the administration fee shall increase by a further sum \$50.00 and this shall be on a cumulative basis.

All of the covenants of the Mortgagor set out in the Mortgage Loan commitment shall not merge and will remain in full force and effect during the term of the herein Mortgage.

**THIS IS EXHIBIT "G"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

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\_\_\_\_\_  
A commissioner for taking affidavits

**SUBORDINATION AND STANDSTILL AGREEMENT**

**THIS AGREEMENT** effective as of the 15<sup>th</sup> day of February, 2023.

**A M O N G:**

**AJAX MEADOWS LTD.**

(hereinafter called the "**Borrower**")

- and –

**VECTOR FINANCIAL SERVICES LIMITED and OLYMPIA TRUST COMPANY**

(hereinafter collectively, called the "**Prior Lender**")

- and -

**2439656 ONTARIO INC. and MAX CAPITAL CORP.**

(hereinafter collectively, called the "**Subordinate Lender**")

**W H E R E A S:**

- A. The Borrower is the registered owner of certain lands and premises described in Appendix 1 attached hereto (the "**Lands**") together with all personal property (the "**Personal Property**") located on or arising out of, from or in connection with ownership, use or disposition of the Lands (the said Lands and Personal Property being hereinafter collectively referred to as the "**Property**");
- B. The Prior Lender extended a loan (the "**Loan**") to the Borrower in the maximum principal amount of **FOUR MILLION DOLLARS (\$4,000,000.00)** which loan or credit facility is secured by, *inter alia*, the following security:
  - i. a first ranking charge/mortgage registered in the Land Registry Office for the Land Titles Division of Durham (No. 40) ("**Land Titles Office**") as Instrument No. DR2191762 on November 24, 2022 (the "**First Charge**");
  - ii. a first ranking general assignment of rents registered in the Land Titles Office as Instrument No. DR2191763 (the "**First General Assignment of Rents**"); and
  - iii. PPSA File No. 788695236 bearing registration no. 20221123 1129 9234 5626 and PPSA File No. 788695542 bearing registration no. 20221123 1130 9234 5627 (collectively, the "**Prior Lender PPSAs**").

All existing and future indebtedness and all other obligations and liabilities owing by the Borrower to the Prior Lender from time to time pursuant to the Loan, including but not limited to the principal sum, all interest thereon, all future advances and all other amounts owing to the Prior Lender thereunder being hereinafter referred to as the "**Prior Indebtedness**", and the First Charge, the First General Assignment of Rents, the Prior Lender PPSAs, and all other additional or collateral security now or hereafter securing the Prior Indebtedness being hereinafter referred to as the "**Prior Security**";

And for greater particularity, reference in this Agreement to the Loan, the Prior Indebtedness and the Prior Security includes all renewals, extensions, amendments, modifications and restatements thereof or thereto from time to time;

- C. The Subordinate Lender has made or will make a loan or credit facility (the "**Subordinate Loan**") available to the Borrower in the maximum principal amount of **ONE MILLION DOLLARS (\$1,000,000.00)** which loan or credit facility is secured by, *inter alia*, the following security:
  - i. a second ranking charge/mortgage of Land in the original principal





amount of \$1,000,000.00 registered in the Land Titles Office as Instrument No. DR2211649 on the 21st day of February, 2023 (the "**Subordinate Charge**");

All existing and future indebtedness and all other obligations and liabilities owing by the Borrower to the Subordinate Lender from time to time pursuant to the Subordinate Loan, including but not limited to the principal sum, all interest thereon, all future advances and all other amounts owing to the Subordinate Lender thereunder being hereinafter referred to as the "**Subordinate Indebtedness**", and the Subordinate Charge, any related PPSA financing statements, and all other additional or collateral security now or hereafter securing the Subordinate Indebtedness being hereinafter referred to as the "**Subordinate Security**";

And for greater particularity, reference in this Agreement to the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security includes all renewals, extensions, amendments, modifications and restatements thereof or thereto from time to time;

- D. The Subordinate Lender has agreed to subordinate and postpone the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security to and in favour of the Prior Lender, the Loan, the Prior Indebtedness and the Prior Security.

**NOW THEREFORE** for good and valuable consideration, including the sum of TEN DOLLARS (\$10.00) now paid by the Prior Lender to the Subordinate Lender, the receipt and sufficiency of which is hereby acknowledged by the Subordinate Lender, the parties agree as follows:

1. **Covenants, Representations and Warranties of the Subordinate Lender.**

The Subordinate Lender consents to the Prior Indebtedness and the Prior Security, and covenants, represents and warrants to the Prior Lender that:

- a) as of the date hereof, the Subordinate Loan and the Subordinate Security are in good standing, in full force and effect, unamended, and the Borrower is not in default thereunder;
- b) it holds no security of any kind against the Property other than the Subordinate Security;
- c) it has full power, lawful authority and legal right to enter into this Agreement on its own behalf and on behalf of all present and future beneficial owners of the Subordinate Loan, Subordinate Indebtedness and the Subordinate Security, and this Agreement constitutes a valid and binding obligation of the Subordinate Lender enforceable against it in accordance with its terms;
- d) upon request by the Prior Lender from time to time, the Subordinate Lender shall provide the Prior Lender with copies of the Subordinate Security and/or a statement in detail of the Subordinate Indebtedness then outstanding;
- e) the Subordinate Lender will not advance any further funds to the Borrower under the Subordinate Loan and will not amend the Subordinate Security in any manner which increases the obligations of the Borrower; and
- f) The Subordinate Lender shall notify the Prior Lender of any default under the Subordinate Security forthwith upon becoming aware of such default.

2. **Subordination and Postponement.** The Subordinate Lender hereby subordinates and postpones the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security to the Loan, the Prior Indebtedness and the Prior Security and agrees with the Prior Lender that the Prior Security shall be a first priority lien and charge against the Property for the full amount of the Prior Indebtedness in full priority to the Subordinate Security and the Subordinate Indebtedness. The subordination and postponement of the Subordinate Loan, Subordinate Indebtedness and the Subordinate Security to the Loan, the Prior Indebtedness and the Prior Security, shall include subordination of the Subordinate Security and the Subordinate Indebtedness to the extent required to make the Prior Security and the Prior Indebtedness a first priority lien and charge against the Property.

No discharge, release or waiver by the Prior Lender of any of the Prior Security against or in respect of the Property or any person(s), corporation(s) or entity(ies), or any



amendment, renewal, extension, replacement, discharge, modification, supplement or restatement of any portion of the Prior Indebtedness and/or the Prior Security shall require notice to or the consent of the Subordinate Lender or otherwise affect the subordination and postponement of the Subordinate Security, the Subordinate Loan and the Subordinate Indebtedness hereby granted by the Subordinate Lender.

The Subordinate Lender hereby acknowledges and agrees that this Agreement shall not defer or otherwise affect the present or future rights and remedies of the Prior Lender with respect to the present or future indebtedness and other liabilities of the Borrower to the Prior Lender, or with respect to any securities which the Prior Lender now holds or may hereafter receive from the Borrower as collateral for the Prior Indebtedness.

The Subordinate Lender agrees to execute and deliver at its cost, upon request by the Prior Lender, such further instruments and agreements and assurances as may reasonably be required by the Prior Lender in the circumstances in order to confirm and give effect to the provisions of this Agreement, and further, to register, record, amend, file or re-file notice of this Agreement and/or the subordination and postponement of the Subordinate Security in any office of public record as the Prior Lender may in its discretion consider necessary or desirable from time to time.

3. **Subsequent Charges.** The Subordinate Lender shall not register a subsequent mortgage or charge on title to the Property without the prior written consent of the Prior Lender, which may be withheld in the Prior Lender's sole and absolute discretion. Should the Prior Lender consent to such subsequent mortgage or charge, the Borrower, Prior Lender and Subordinate Lender shall enter into a subordination and standstill agreement in respect of such subsequent mortgage or charge on substantially the same terms as set out herein prior to the registration of such subsequent mortgage or charge on title to the Property.

4. **Payments.**

- (a) Until such time as the Loan and the Prior Indebtedness are repaid in full, the Subordinate Lender agrees that: (i) no rents, revenue, income, cash flow and other proceeds arising from or relating to the Property (the "**Rents**") shall be applied to any payment on account of the Subordinate Loan or the Subordinate Indebtedness; and, (ii) it shall not accept any payment on account of the Subordinate Loan and/or the Subordinate Indebtedness which the Subordinate Lender knows or reasonably ought to know are payments made from the Rents, and if any such payments are received, the Subordinate Lender shall immediately pay such amount to the Prior Lender. The Prior Lender and the Subordinate Lender shall provide reasonable co-operation to each other following the giving of such notice of default to ensure that the provisions of this paragraph are complied with.
- (b) It is agreed that until an event of default occurs under the Loan or the Prior Security, payments may be made by the Borrower to the Subordinate Lender on account of principal, interest and other fees owing pursuant to the Subordinate Loan at any time without the written consent of the Prior Lender and any such payments shall not constitute an event of default under the Prior Security, provided that such payments are not made from Rents. However, if an event of default occurs under the Loan or the Prior Security, no payments shall be made by the Borrower to the Subordinate Lender until such event of default is cured to the satisfaction of the Prior Lender.
- (c) Any payments of the amounts secured by the Subordinate Security received by the Subordinate Lender in contravention of the terms of this Agreement shall be held in trust for the Prior Lender and the Subordinate Lender will immediately turn over any such payments to the Prior Lender, without further notice or demand to be applied to the Loan secured by the Prior Security.

5. **Standstill.**

- a) The Subordinate Lender agrees that from and after the date hereof, to and until the date of the repayment and/or satisfaction of all outstanding indebtedness and/or liabilities of the Borrower to the Prior Lender under the Prior Security and the complete discharge thereof, the Subordinate Lender shall not be entitled and hereby agrees not to exercise or take any steps to exercise any of its remedies and/or recourses under the Subordinate Security or otherwise.



- b) The Subordinate Lender will not take any steps to impair the priority of the Prior Security or directly or indirectly act in any way, nor allege or make any claims prejudicial or adverse to the security interests of the Prior Lender arising pursuant to the Prior Security.
- c) So long as the Subordinate Indebtedness remains outstanding, the Prior Lender shall not advance any further funds to the Borrower under the Loan and shall not amend the Prior Security in any manner which increases the obligations of the Borrower.
- d) The Prior Lender will endeavour, but shall not be required or obligated, to notify the Subordinate Lender of any event of default under the Prior Security forthwith upon becoming aware of such default provided however that failure by the Prior Lender to deliver such notice shall not prejudice or otherwise impair the Prior Lender's rights under this Agreement.

6. **Assignment by Subordinate Lender.** The Subordinate Lender agrees that it shall not sell, transfer, assign, alienate or otherwise dispose of any interest in the Subordinate Loan, the Subordinate Indebtedness or the Subordinate Security to any person(s), corporation(s) or entity(ties) (hereinafter, an "**Assignee**") except in accordance with terms and conditions which are expressly subject to all of the terms of this Agreement.

7. **Entire Agreement.** This Agreement and all schedules thereto contains the whole of the agreement between the parties hereto and there are no collateral or precedent conditions, warranties, agreements, representations, promises, understandings or inducements, whether oral or written, that are not specifically set forth herein, and no modification, amendment or variation hereof shall be effective or binding on the parties hereto unless agreed to in writing by all of them.

8. **No Waiver.** The waiver by any party of the breach of any term, covenant or condition herein contained shall not constitute a waiver of such term, covenant or condition, except in respect of the particular breach giving rise to such waiver. No term, covenant or condition of this Agreement is deemed to have been waived by any party hereto unless such waiver is in given in writing by that party.

9. **Severability.** All of the sections, paragraphs, sentences, clauses and parts of this Agreement are distinct and severable, and if any of the same shall be held illegal or void, the validity or legality of the remainder of this Agreement shall not be affected.

10. **Survival of Covenants and Warranties.** The covenants, warranties and representations of the Subordinate Lender contained in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect for the benefit of the Prior Lender until the Loan has been repaid in full.

11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn to the jurisdiction of the courts of this Province sitting at Toronto, Ontario.

12. **Successors.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns including any successors by amalgamation and any appointed receivers or trustees in bankruptcy.

13. **Counterparts.** This Agreement may be executed electronically and in counterparts and all counterparts so executed will constitute one Agreement binding on the parties effective upon execution by all of the parties.

14. **Time Is of the Essence.** Time is of the essence of this Agreement and every part hereof.

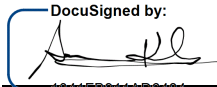
**IN WITNESS WHEREOF** the undersigned have executed this Agreement as of the date first above written.



***[Signature Page Follows]***

**BORROWER:**

**AJAX MEADOWS LTD.**

By:  \_\_\_\_\_  
Name: Sameer Khan  
Title: President


By: \_\_\_\_\_  
Name:  
Title:

*I/We have authority to bind the corporation.*

***[signature lines continue on next page]***

**PRIOR LENDER:**

**VECTOR FINANCIAL SERVICES LIMITED**

By:   
Name:  
Title: Mitchell Oelbaum  
President

By: \_\_\_\_\_  
Name:  
Title:

*I/We have authority to bind the corporation.*

**OLYMPIA TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*I/We have authority to bind the corporation.*

***[signature lines continue on next page]***

**PRIOR LENDER:**

**VECTOR FINANCIAL SERVICES LIMITED**

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

*I/We have authority to bind the corporation.*

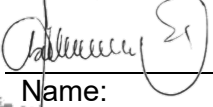
**OLYMPIA TRUST COMPANY**

By:  \_\_\_\_\_

Name:

Maria Factura  
Manager

Title:

By:  \_\_\_\_\_

Lena Xharra- Lead

Name:

Title:

*I/We have authority to bind the corporation.*

***[signature lines continue on next page]***

**SUBORDINATE LENDER:**

**2439656 ONTARIO INC.**

By:  Kulwant Kang 02/16/23  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*I/We have authority to bind the corporation.*

**MAX CAPITAL CORP.**

By:  KULJIT Mann 02/16/23  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

*I/We have authority to bind the corporation.*



**APPENDIX "1"**

**TO SUBORDINATION AND STANDSTILL AGREEMENT"**

<i>Registered Owner</i>	<i>PIN No(s).</i>	<i>Legal Description</i>
Ajax Meadows Ltd.	26429-0003 (LT)	PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677 ;; TOWN OF AJAX  LRO: Durham (No. 40)

**THIS IS EXHIBIT "H"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

---

A commissioner for taking affidavits

RUN NUMBER : 053  
RUN DATE : 2024/02/22  
ID : 20240222100513.86

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

REPORT : PSSR060  
PAGE : 1  
( 5550)

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 : AJAX MEADOWS LTD.

FILE CURRENCY : 21FEB 2024

ENQUIRY NUMBER 20240222100513.86 CONTAINS 4 PAGE(S), 1 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.

GOWLING WLG (CANADA) LLP - TORONTO - MARK EMMANUEL  
1 FIRST CANADIAN PLACE  
TORONTO ON M5X 1G5

CONTINUED... 2

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

(crlf6 05/2022)



RUN NUMBER : 053  
RUN DATE : 2024/02/22  
ID : 20240222100513.86

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

REPORT : PSSR060  
PAGE : 2  
( 5551)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : AJAX MEADOWS LTD.  
FILE CURRENCY : 21FEB 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
788695236

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20221123 1129 9234 5626	P PPSA	3

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

02

03 BUSINESS NAME : AJAX MEADOWS LTD.

04 ADDRESS : 56 ANNIE CRAIG DRIVE, SUITE 2601 ETOBICOKE ON M8V 0C8

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

05

06 BUSINESS NAME

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT : VECTOR FINANCIAL SERVICES LIMITED

09 ADDRESS : 245 EGLINTON AVENUE EAST, SUITE 400 TORONTO ON M4P 3B7

COLLATERAL CLASSIFICATION

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

10

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

11

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION : ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY LOCATED AT, ON, OR ABOUT THE LANDS AND PREMISES LEGALLY DESCRIBED AS PCL 243-1 SEC 40M1677, BLK 243 PL 40M1677 , TOWN OF AJAX IN PIN

14 REGISTERING AGENT : CASSELS BROCK & BLACKWELL LLP (49004-134/TK)

15 ADDRESS : SUITE 2100, 40 KING STREET W. TORONTO ON M5H 3C2

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

CONTINUED... 3

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

(crj1fv 05/2022)



RUN NUMBER : 053  
RUN DATE : 2024/02/22  
ID : 20240222100513.86

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

REPORT : PSSR060  
PAGE : 3  
( 5552)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : AJAX MEADOWS LTD.  
FILE CURRENCY : 21FEB 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
788695236

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20221123 1129 9234 5626		

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

02

03 BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

05

06 BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

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

10

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.

11

12 VEHICLE

13 GENERAL 26429-0003 (LT) OR USED OR ACQUIRED IN CONNECTION WITH OR PRIMARILY  
14 COLLATERAL RELATED TO THE BUSINESS OF THE DEBTOR CONDUCTED ON OR WITH RESPECT TO  
15 DESCRIPTION SUCH LANDS AND PREMISES. (LOAN NO. 22-39)

16 REGISTERING AGENT

17 ADDRESS

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

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES  
(cj1fv 05/2022)



RUN NUMBER : 053  
RUN DATE : 2024/02/22  
ID : 20240222100513.86

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

REPORT : PSSR060  
PAGE : 4  
( 5553)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : AJAX MEADOWS LTD.  
FILE CURRENCY : 21FEB 2024

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
788695236	20221123	1129	9234	5626

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

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

(crj6 05/2022)



**THIS IS EXHIBIT "I"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

\_\_\_\_\_  
A commissioner for taking affidavits



Brokerage Lic#: 10160  
Administrator Lic#: 11205

**WITHOUT PREJUDICE  
VIA E-MAIL**

December 15, 2023

Ajax Meadows Ltd.  
1235 Queensway East, Unit 17A  
Mississauga ON L4Y 0G4

**Attention: Sameer Khan**

**Re: 1st Mortgage on Harkins Drive and Rossland Road West, Ajax**  
**Our Ref: BC22-39**

This is to notify you that you are in default under the terms of the mortgage as per below:

Event of Default	Principal Balance
Failure to cure monetary default ( failure to remit interest payment due on December 10th, 2023)	\$4,000,000.00
<b>Subject to Default Administration fee of \$5,000 + HST as per Schedule A</b>	

In the event of the Borrower failing to pay any amount when due; being in breach of any covenant, term, condition of the Commitment Letter or any Loan Document; if any representation made by or information provided by any Borrower Entity or its agent or representative is found to be untrue or incorrect; or if any default or Event of Default (as defined in the Loan Documents) occurs, the Borrower shall be in default of its obligations and the Lender may, at its option, declare the Loan indebtedness and any other amount due under the Commitment Letter and the Loan Documents to be forthwith due and payable, or cease or delay further funding, and/or exercise any and/or all remedies available to it at law or in equity.

The express or implicit waiver by the Lender of any breach or default by any Borrower Entity under the Commitment Letter or any Loan Document shall not be construed as a waiver of any other or subsequent breach or default by such Borrower Entity. Any failure by the Lender to exercise any of its rights or remedies shall not constitute or be construed as a waiver thereof.

**Vector shall have no further obligation to issue any further notices or demands under Section 244 of the BIA to the Borrower or the Beneficial Owner, and shall be entitled to immediately seek the appointment of a receiver and or receiver and manger over all of the assets, property, and undertakings of the Borrower and the Beneficial Owner including the Property.**

Should you wish to discuss this or any other matter relating to your mortgage, please contact Noah Mintz 416-483-4367 or at [noah@vectorfinancial.com](mailto:noah@vectorfinancial.com)

**Loan Administration Department**  
E. & O.E.



**THIS IS EXHIBIT "J"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:  
*Katherine Yurkovich*  
BF136400C72D4E9

---

A commissioner for taking affidavits

## Yurkovich, Kate

---

**From:** Gertner, Thomas  
**Sent:** February 20, 2024 7:03 PM  
**To:** sameer@ajaxmeadows.ca; alanna@sarjueliyaslaw.ca  
**Cc:** Noah Mintz; Katrina Dunnings; Yurkovich, Kate; Mitchell Oelbaum  
**Subject:** Vector Financial Services Ltd v. Ajax Meadows Ltd. (22-39 Harkins)

**Importance:** High

We are enforcement counsel to Vector Financial Services Limited (“**Vector**”), as administrator for and on behalf of certain lenders (the “**Lenders**”). The loan advanced by the Lenders has matured without repayment – and the Borrower has also failed to make an interest payment when due. Unless arrangements satisfactory to Vector for the repayment of the loan are made immediately, my instructions are to issue a notice of intention to enforce security under Section 244 of the *Bankruptcy and Insolvency Act* and begin enforcement proceedings this week.

Your immediate attention to this matter is required;

Thomas Gertner  
*Partner*  
T +1 416 369 4618  
thomas.gertner@gowlingwlg.com



Gowling WLG (Canada) LLP  
Suite 1600, 1 First Canadian Place  
100 King Street West  
Toronto ON M5X 1G5  
Canada



[gowlingwlg.com](http://gowlingwlg.com)

[Gowling WLG](http://Gowling WLG) | 1,500+ legal professionals worldwide

**THIS IS EXHIBIT "K"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

A commissioner for taking affidavits



**Thomas Gertner**  
Direct : (416) 369-4618  
Thomas.gertner@gowlingwlg.com

February 23, 2024

**PRIVATE AND CONFIDENTIAL**

**BY EMAIL AND REGISTERED MAIL**

**AJAX MEADOWS LTD.**  
1235 Queensway East, 17a  
Mississauga, ON L4Y 0G4  
Attention: Sameer Khan  
Email: [sameer@ajaxmeadows.ca](mailto:sameer@ajaxmeadows.ca)

**SAMEER KHAN**  
56 Annie Craig Drive, Suite 2601  
Etobicoke, ON M8V 0C8  
Email: [sameer@ajaxmeadows.ca](mailto:sameer@ajaxmeadows.ca)

Copy To:  
**SARJU ELIYAS LAW PROFESSIONAL CORPORATION**  
104-200 Tiffield Road  
Toronto, ON M1V 5J1  
**Attention:** Alanna D. Sarju  
Email: [alanna@sarjueliyaslaw.ca](mailto:alanna@sarjueliyaslaw.ca)

**Re: Vector Financial Services Limited credit facilities extended to Ajax Meadows Ltd. (the “Borrower”), guaranteed by Sameer Khan (the “Guarantor”)**

---

We are enforcement counsel to Vector Financial Services Limited (“**Vector**”) as administrator (in such capacity, the “**Administrator**”) for an on behalf of the lenders in a syndicate for the Loan, Vector and Olympia Trust Company (collectively, the “**Lenders**”).

We are writing to you in connection with the Commitment Letter dated October 6, 2022, among the Borrower, as borrower, the Guarantor, as guarantor, and Vector, as administrator and lender, as such Commitment Letter was amended by a Commitment Letter Amendment dated as of October 28, 2022, and a Commitment Letter Amendment #2 dated as of October 18, 2023 (collectively, as modified, amended, supplemented, revised, restated, and replaced from time to time, the “**Commitment Letter**”).

Capitalized terms used herein and not otherwise defined have the meanings given to them in the Commitment Letter.

The Borrower is in default under the Commitment Letter and the other Credit Documents (as defined below) for: (i) having failed to repay the Indebtedness on or before the Maturity Date of November 10, 2023; and (ii) having failed to remit a monthly interest payment to the Administrator when due on February 10, 2024.

According to the Administrator’s records, the Borrower is indebted or otherwise liable to the Lenders for the amounts set out in Schedule A to this letter as of February 23, 2024 (the amount owing from time to time by the Borrower to the Lenders, the “**Indebtedness**”).

**Gowling WLG (Canada) LLP**  
Suite 1600, 1 First Canadian Place  
100 King Street West  
Toronto ON M5X 1G5 Canada  
61077508\7

**T +1 416 862 7525**  
**F +1 416 862 7661**  
**gowlingwlg.com**

Gowling WLG (Canada) LLP is a member of Gowling WLG, an international law firm which consists of independent and autonomous entities providing services around the world. Our structure is explained in more detail at [gowlingwlg.com/legal](http://gowlingwlg.com/legal).



The Guarantor has guaranteed the repayment of the Indebtedness under a Covenant and Postponement of Claim dated November 24, 2022 (the “**Guarantee**”).

The Administrator hereby demands payment in full of the Indebtedness from the Borrower and the Guarantor. Interest on the Indebtedness has accrued and will continue to accrue to the date of payment at the rate set out in the Commitment Letter and the other Credit Documents, as applicable. The exact amount of the Indebtedness and interest which will have accrued to any date of payment shall be obtained by contacting the Administrator. You will also be required to pay the Administrator’s legal and other expenses in connection with the Indebtedness.

This letter constitutes a demand for payment and acceleration of payment under the terms and conditions of the Commitment Letter and the terms and conditions of all security held by the Lenders directly or indirectly for any of the Indebtedness, including all loan agreements, promissory notes, the Guarantee and other agreements governing the Indebtedness (collectively, the “**Credit Documents**”), and is made without prejudice to (a) the Administrator’s right to make such further and other demands as it shall see fit for any other indebtedness or under any other security, and (b) the Administrator’s right to provide further and other notices of default.

Unless payment or arrangements satisfactory to the Administrator for payment of the Indebtedness are made by no later than **4:00 p.m. on March 4, 2023** (Toronto time), the Administrator may take any further steps that it deems necessary to recover payment of the Indebtedness. These steps may include (i) the enforcement of its security by way of the appointment of an interim receiver, court appointed receiver and manager, a private receiver and manager, or an agent under its security; and (ii) the enforcement of any real property security by way of rights of power of sale. The Administrator expressly reserves the right to take any steps it deems advisable to protect the Lenders’ position prior to that date.

We also enclose a notice of intention to enforce security issued by the Administrator under Section 244 of the *Bankruptcy and Insolvency Act* (Canada) for the Borrower.

The Lenders expressly reserve their rights and remedies with respect to any defaults that shall now exist or hereafter arise under the Commitment Letter and the other Credit Documents.

Yours very truly,

**GOWLING WLG (CANADA) LLP**

A handwritten signature in black ink, appearing to read "T. Gertner", written over a horizontal line.

per Thomas Gertner

**SCHEDULE A**

**Amount of Indebtedness Owing as of February 23, 2024**

See attached.



Brokerage Lic#: 10160  
Administrator Lic#: 11205

## MORTGAGE PAYOUT STATEMENT

February 23, 2024

**Ajax Meadows Ltd.**  
1235 Queensway East, Unit 17A  
Mississauga, ON L4Y 0G4  
Attention: Sameer Khan

**RE** : **1<sup>st</sup> Mortgage Loan on Harkins Drive and Rossland Road West, Ajax**  
**Reference No.** : **BC22-39**

**This statement shall be null and void and the Lender shall not be required to discharge the mortgage security if this statement is not acknowledged by the Borrower upon Payout.**

The following summarizes the amounts required to pay out the loan on the above-noted property:

Payout Date	February 23, 2024
Principal Balance	\$4,000,000.00
Interest Charges at 15.75% per annum to February 23, 2024	\$108,853.89
Loan Charges *For additional details see itemization attached	\$50,147.47
Less Credit for Trust Balance as of date of this statement	(\$27,776.71)
<b>TOTAL AMOUNT PAYABLE</b>	<b>\$4,131,224.65</b>

HST# 10550 1209RT0001  
E. & O.E.

These figures are subject to change with any subsequent transactions and do not include any legal fees. We reserve the right to amend this Statement should any changes occur that would increase the total amount payable. **Please note that this Statement expires on March 4, 2024**, after which this Statement shall become null and void and additional charges may apply in accordance with the terms of your mortgage.

A per diem interest amount of **\$1,786.68** will be due for each additional day past **February 23, 2024**. Funds received after 1:00 pm EST on the proposed discharge date will be subject to an additional per diem charge as noted herein until paid. If the proposed discharge date is a Friday, funds received after 1:00 pm EST will be subject to additional interest until the next business day.

Payment must be made by wire transfer only to **VECTOR FINANCIAL SERVICES LIMITED** or their solicitors as directed.

Yours truly,  
**VECTOR FINANCIAL**  
Per:

**Mitchell Oelbaum**  
President  
Mortgage Agent Lic. MI3001562

 245 Eglinton Avenue East, Suite 400  
Toronto, Ontario M4P 3B7

 416-483-8018

 [www.vectorfinancial.com](http://www.vectorfinancial.com)

**BANKRUPTCY AND INSOLVENCY ACT**

**FORM 86**

**Notice of Intention to Enforce Security**  
(Rule 124)

**TO: AJAX MEADOWS LTD., an insolvent person**

Take notice that:

1. **VECTOR FINANCIAL SERVICES LIMITED**, as lender and administrator, a secured creditor, intends to enforce its security against the following property of the insolvent persons listed above:

All of the property, assets, and undertaking charged by the security described in paragraph 2 of this Notice.

2. The security that is to be enforced is in the form of:

See Schedule "A".

3. The total amount of indebtedness secured by the security as of February 23, 2024 is:

See Schedule "B".

4. The secured creditor will not have the right to enforce the security until after the expiration of the ten (10) day period after this notice is sent unless the insolvent person(s) each consent to an earlier enforcement.

DATED at Toronto this 23<sup>rd</sup> day of February, 2024

**VECTOR FINANCIAL SERVICES LIMITED**  
**BY ITS COUNSEL**  
**GOWLING WLG (CANADA) LLP**

Per:



\_\_\_\_\_  
Thomas Gertner



**SCHEDULE "A"**

**SECURITY DOCUMENTS**

1. Charge / Mortgage against the lands and premises relating to PIN 26429-0003 (LT) in the principal amount of \$4,000,000 granted by Ajax Meadows Ltd. and registered on November 24, 2022 as instrument number DR2191762;
2. General Assignment of Rents executed by Ajax Meadows Ltd. dated as of November 24, 2022;
3. General Security Agreement executed by Ajax Meadows Ltd. dated as of November 24, 2022;
4. Notice and Direction to Tenants executed by Ajax Meadows Ltd. dated as of November 24, 2022;
5. Assignment of Insurance Proceeds executed by Ajax Meadows Ltd. dated as of November 24, 2022;
6. Assignment of Material Documents executed by Ajax Meadows Ltd. dated as of November 24, 2022;
7. Assignment of Purchase and Sale Agreements (Individual Units) executed by Ajax Meadows Ltd. dated as of November 24, 2022;
8. Assignment of Deposits executed by Ajax Meadows Ltd. dated as of November 24, 2022;
9. Assignment of Letters of Credit executed by Ajax Meadows Ltd. dated as of November 24, 2022;
10. Notice and Direction executed by Ajax Meadows Ltd. dated as of November 24, 2022;
11. Indemnity executed by Ajax Meadows Ltd. and Sameer Khan dated as of November 24, 2022;
12. Indemnity executed by Ajax Meadows Ltd. and Sameer Khan dated as of November 24, 2022;
13. All other security granted to Vector Financial Services Limited and not otherwise listed above.

**SCHEDULE "B"**

**Amount of Indebtedness Owing as of February 23, 2024**

See attached.



Brokerage Lic#: 10160  
Administrator Lic#: 11205

## MORTGAGE PAYOUT STATEMENT

February 23, 2024

**Ajax Meadows Ltd.**  
1235 Queensway East, Unit 17A  
Mississauga, ON L4Y 0G4  
Attention: Sameer Khan

**RE** : **1<sup>st</sup> Mortgage Loan on Harkins Drive and Rossland Road West, Ajax**  
**Reference No.** : **BC22-39**

**This statement shall be null and void and the Lender shall not be required to discharge the mortgage security if this statement is not acknowledged by the Borrower upon Payout.**

The following summarizes the amounts required to pay out the loan on the above-noted property:

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Loan Charges *For additional details see itemization attached	\$50,147.47
Less Credit for Trust Balance as of date of this statement	(\$27,776.71)
<b>TOTAL AMOUNT PAYABLE</b>	<b>\$4,131,224.65</b>

HST# 10550 1209RT0001  
E. & O.E.

These figures are subject to change with any subsequent transactions and do not include any legal fees. We reserve the right to amend this Statement should any changes occur that would increase the total amount payable. **Please note that this Statement expires on March 4, 2024**, after which this Statement shall become null and void and additional charges may apply in accordance with the terms of your mortgage.

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Payment must be made by wire transfer only to **VECTOR FINANCIAL SERVICES LIMITED** or their solicitors as directed.

Yours truly,  
**VECTOR FINANCIAL**  
Per:

**Mitchell Oelbaum**  
President  
Mortgage Agent Lic. M13001562

 245 Eglinton Avenue East, Suite 400  
Toronto, Ontario M4P 3B7

 416-483-8018

 [www.vectorfinancial.com](http://www.vectorfinancial.com)

## Yurkovich, Kate

---

**From:** Yurkovich, Kate  
**Sent:** February 23, 2024 4:24 PM  
**To:** 'Alanna Sarju'; 'sameer@ajaxmeadows.ca'  
**Cc:** 'Noah Mintz'; 'Katrina Dunnings'; 'Mitchell Oelbaum'; Gertner, Thomas  
**Subject:** RE: RE: Vector Financial Services Ltd v. Ajax Meadows Ltd. (22-39 Harkins)

Good afternoon,

Please note that the reference to March 4, 2023 in the Demand Letter circulated in our email below was intended to refer to **March 4, 2024**.

Regards,  
Kate

Kate Yurkovich (she/her)  
Associate  
T +1 416 862 4342  
M +1 647 962 3092  
kate.yurkovich@gowlingwlg.com



---

**From:** Yurkovich, Kate  
**Sent:** February 23, 2024 2:03 PM  
**To:** Alanna Sarju <alanna@sarjueliyaslaw.ca>; sameer@ajaxmeadows.ca  
**Cc:** Noah Mintz <noah@vectorfinancial.com>; Katrina Dunnings <Katrina@vectorfinancial.com>; Mitchell Oelbaum <mitchell@vectorfinancial.com>; Gertner, Thomas <Thomas.Gertner@ca.gowlingwlg.com>  
**Subject:** RE: Vector Financial Services Ltd v. Ajax Meadows Ltd. (22-39 Harkins)  
**Importance:** High

Good afternoon,

As you are aware, we are enforcement counsel to Vector Financial Services Limited in connection with the above noted matter.

Please find enclosed a Demand Letter and Notices of Intention to Enforce Security under Section 244 of the *Bankruptcy and Insolvency Act* (Canada).

Regards,

Kate Yurkovich (she/her)  
Associate  
T +1 416 862 4342  
M +1 647 962 3092  
[kate.yurkovich@gowlingwlg.com](mailto:kate.yurkovich@gowlingwlg.com)



Gowling WLG (Canada) LLP  
Suite 1600, 1 First Canadian Place  
100 King Street West  
Toronto ON M5X 1G5  
Canada



[gowlingwlg.com](http://gowlingwlg.com)

[Gowling WLG](#) | 1,500+ legal professionals worldwide

**THIS IS EXHIBIT "L"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

\_\_\_\_\_  
A commissioner for taking affidavits

## Yurkovich, Kate

---

**From:** Gertner, Thomas  
**Sent:** March 7, 2024 3:01 PM  
**To:** Alanna Sarju; Katrina Dunnings; Mitchell Oelbaum; Noah Mintz; Sameer Khan  
**Cc:** Vinissa Arulanantham; Yurkovich, Kate  
**Subject:** RE: Vector Financial Services Ltd v. Ajax Meadows Ltd. (22-39 Harkins)

Alanna;

We have not heard from you since our initial discussion. Please be advised that our client will be moving forward with enforcement and seeking the immediate appointment of a receiver over the subject property and we have received instructions in connection with the same.

Thomas Gertner  
*Partner*  
T +1 416 369 4618  
thomas.gertner@gowlingwlg.com



**From:** Alanna Sarju <alanna@sarjueliyaslaw.ca>  
**Sent:** February 23, 2024 4:22 PM  
**To:** Gertner, Thomas <Thomas.Gertner@ca.gowlingwlg.com>; Katrina Dunnings <Katrina@vectorfinancial.com>; Mitchell Oelbaum <mitchell@vectorfinancial.com>; Noah Mintz <noah@vectorfinancial.com>; Sameer Khan <sameer@ajaxmeadows.ca>  
**Cc:** Vinissa Arulanantham <vinissa@sarjueliyaslaw.ca>; Yurkovich, Kate <Kate.Yurkovich@ca.gowlingwlg.com>  
**Subject:** Re: Vector Financial Services Ltd v. Ajax Meadows Ltd. (22-39 Harkins)

**This message originated from outside of Gowling WLG. | Ce message provient de l'extérieur de Gowling WLG.**

---

Hi Thomas,

Please confirm receipt of the email sent out earlier today advising on the interest, thank you kindly.

Best Regards,

Alanna D. Sarju  
Barrister & Solicitor

**Sarju Eliyas Law Professional Corporation**  
**104-200 Tiffield Road,**  
**Toronto, ON M1V 5J1**  
**T: 416-291-0009 ext 2020**  
**F: 866-662-7290**

**E: [alanna@sarjueliyaslaw.ca](mailto:alanna@sarjueliyaslaw.ca)**

*The content of this email is confidential and intended for the recipient specified in message only. It is strictly forbidden to share any part of this message with any third party, without a written consent of the sender. If you received this message by mistake, please reply to this message and follow with its deletion, so that we can ensure such a mistake does not occur in the future.*

On Fri, Feb 23, 2024 at 2:07 PM Alanna Sarju <[alanna@sarjueliyaslaw.ca](mailto:alanna@sarjueliyaslaw.ca)> wrote:

Good afternoon Thomas,

Further to our call yesterday, my client has been trying to sort out a few personal things as a result of his vehicle being stolen. We have discussed the mortgage matter, and it has been advised that he will be bringing the payment into good standing next week.

Payment should be remitted prior to the end of next week, with efforts being made to have it settled by midweek.

Can you please relay the same to your clients and advise if this is satisfactory for them?

Please also note - I am currently dealing with a car accident and my response will be delayed today

**Best Regards,**

**Alanna D. Sarju  
Barrister & Solicitor**

**Sarju Eliyas Law Professional Corporation**

**104-200 Tiffield Road,**

**Toronto, ON M1V 5J1**

**T: 416-291-0009 ext 2020**

**F: 866-662-7290**

**E: [alanna@sarjueliyaslaw.ca](mailto:alanna@sarjueliyaslaw.ca)**

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On Wed, 21 Feb 2024 at 17:49, Alanna Sarju <[alanna@sarjueliyaslaw.ca](mailto:alanna@sarjueliyaslaw.ca)> wrote:

Good afternoon Thomas,

I confirm receipt of your email. I will reach out to my client and circle back on this matter.

**Best Regards,**



Alanna D. Sarju  
Barrister & Solicitor

## Sarju Eliyas Law Professional Corporation

104-200 Tiffield Road,  
Toronto, ON M1V 5J1  
T: 416-291-0009 ext 2020  
F: 866-662-7290  
E: [alanna@sarjueliaslaw.ca](mailto:alanna@sarjueliaslaw.ca)

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On Tue, 20 Feb 2024 at 19:03, Gertner, Thomas <[Thomas.Gertner@gowlingwlq.com](mailto:Thomas.Gertner@gowlingwlq.com)> wrote:

We are enforcement counsel to Vector Financial Services Limited (“**Vector**”), as administrator for and on behalf of certain lenders (the “**Lenders**”). The loan advanced by the Lenders has matured without repayment – and the Borrower has also failed to make an interest payment when due. Unless arrangements satisfactory to Vector for the repayment of the loan are made immediately, my instructions are to issue a notice of intention to enforce security under Section 244 of the *Bankruptcy and Insolvency Act* and begin enforcement proceedings this week.

Your immediate attention to this matter is required;

Thomas Gertner  
Partner  
T +1 416 369 4618  
[thomas.gertner@gowlingwlq.com](mailto:thomas.gertner@gowlingwlq.com)



Gowling WLG (Canada) LLP  
Suite 1600, 1 First Canadian Place  
100 King Street West  
Toronto ON M5X 1G5  
Canada



[gowlingwlq.com](http://gowlingwlq.com)

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References to 'Gowling WLG' mean one or more members of Gowling WLG International Limited and/or any of their affiliated businesses as the context requires. Gowling WLG (Canada) LLP has offices in Montréal, Ottawa, Toronto, Hamilton, Waterloo Region, Calgary and Vancouver.

**THIS IS EXHIBIT "M"  
TO THE AFFIDAVIT OF  
MITCHELL OELBAUM SWORN REMOTELY  
BEFORE ME THIS 11 DAY OF APRIL, 2024**

DocuSigned by:

*Katherine Yurkovich*

BF136400C72D4F9...

---

A commissioner for taking affidavits

Court File No.:

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

BETWEEN:

**VECTOR FINANCIAL SERVICES LIMITED**

Applicant

- and -

**AJAX MEADOWS LTD.**

Respondent

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

**CONSENT TO ACT**

**TDB RESTRUCTURING LIMITED** hereby consents to act as receiver without security, of the lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT), in accordance with an order substantially in form of the receivership order sought and included in the Application Record of Vector Financial Services Limited.

**DATED** the 11th day of April, 2024

**TDB RESTRUCTURING LIMITED**



---

Per: Jeffrey Berger, CPA, CA, CIRP, LIT  
Managing Director

Court File No.: CV-24-00718243-00CL

**VECTOR FINANCIAL SERVICES LIMITED**

- and -

**AJAX MEADOWS LTD.**

Applicant

Respondent

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

---

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

PROCEEDING COMMENCED AT TORONTO

---

**AFFIDAVIT OF MITCHELL OELBAUM**  
(Sworn April 11, 2024)

---

**GOWLING WLG (CANADA) LLP**

1 First Canadian Place,  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5  
Tel: 416-862-7525  
Fax: 416-862-7661

**Thomas Gertner (LSO# 67756S)**

Tel: 416-369-4618  
Email: [thomas.gertner@gowlingwlg.com](mailto:thomas.gertner@gowlingwlg.com)

**Katherine Yurkovich (LSO# 80396R)**

Tel: 416-862-4342  
Email: [kate.yurkovich@gowlingwlg.com](mailto:kate.yurkovich@gowlingwlg.com)

*Lawyers for the Applicant*

**TAB 3**

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

THE HONOURABLE	)	MONDAY, THE 22nd
	)	
JUSTICE CONWAY	)	DAY OF APRIL, 2024

**VECTOR FINANCIAL SERVICES LIMITED**

Applicant

- and -

**AJAX MEADOWS LTD.**

Respondent

**ORDER**  
**(appointing Receiver)**

**THIS APPLICATION** made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing TDB Restructuring Limited (“**TDB**”) as receiver (in such capacity, the “**Receiver**”) without security, of the lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT) owned by Ajax Meadows Ltd. (the “**Debtor**”), including all proceeds and leases thereof (collectively, the “**Property**”) was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

**ON READING** the affidavit of Mitchell Oelbaum sworn April 11, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and those other parties listed on the counsel slip, no one else appearing for any other party although duly served as appears

from the affidavit of service of Katherine Yurkovich sworn April 12, 2024, and on reading the consent of TDB to act as the Receiver,

### **APPOINTMENT**

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, TDB is hereby appointed Receiver, without security, of the Property.

### **RECEIVER'S POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order,
- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;



- (e) to settle, extend or compromise any indebtedness owing to the Debtor with respect to the Property;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (h) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (i) to sell, convey, transfer, lease or assign the Property or any part or parts thereof with the approval of this Court, and notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (j) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to the Property;

- (m) to apply for any permits, licences, approvals or permissions in respect of the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor; and
- (o) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

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

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use

of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 4 or in paragraph 5 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE PROPERTY**

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

### **NO EXERCISE OF RIGHTS OR REMEDIES**

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

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

10. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor in connection with or relating to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor in connection with or related to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver.

### **RECEIVER TO HOLD FUNDS**

11. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the

collection of any accounts receivable relating to the Property in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

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

## **PIPEDA**

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

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

#### **RECEIVER'S LEGAL COUNSEL**

16. **THIS COURT ORDERS** that the Receiver is authorized but not required to retain the same law firm to act as legal counsel as the Applicant, to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order, in any matter where there is no conflict arising from that firm's existing and ongoing role as counsel for the Applicant. In respect of any issue where a conflict

may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

### **RECEIVER'S ACCOUNTS**

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

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

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

### **FUNDING OF THE RECEIVERSHIP**

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and

is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

#### **SERVICE AND NOTICE**

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://tdbadvisory.ca/insolvency-case/ajax-meadows/>

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any



other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

26. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

#### **GENERAL**

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

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

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

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

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

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

33. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion for leave to appeal is brought to an appellate court.

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**SCHEDULE “A”**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. **THIS IS TO CERTIFY** that TDB Restructuring Limited, the receiver (the “**Receiver**”) of the lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT), including all proceeds and leases thereof (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the \_\_\_ day of \_\_\_\_\_, 2024 (the “**Order**”) made in an application having Court file number \_\_\_-CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the \_\_\_\_ day of \_\_\_\_\_, 2024.

**TDB RESTRUCTURING LIMITED**, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: \_\_\_\_\_

Name: Jeffrey Berger

Title: CPA, CA, CIRP, LIT

**VECTOR FINANCIAL SERVICES LIMITED**

- and - **AJAX MEADOWS LTD.**

Applicant

Respondent

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

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

PROCEEDING COMMENCED AT TORONTO

**RECEIVERSHIP ORDER**

**GOWLING WLG (CANADA) LLP**

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*Lawyers for the Applicant*

**TAB 4**

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

Court File No. — CV-24-00718243-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE )  
JUSTICE — CONWAY )  
 )  
 )  
 ) DAY OF ~~MONTH~~ APRIL, ~~20YR~~ 2024

**~~PLAINTIFF~~<sup>†</sup>**

Plaintiff

VECTOR FINANCIAL SERVICES LIMITED

Applicant

- and -

**~~DEFENDANT~~**

Defendant

AJAX MEADOWS LTD.

Respondent

**ORDER**  
(appointing Receiver)

<sup>†</sup>~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

**THIS MOTION APPLICATION** made by the **Plaintiff<sup>2</sup> Applicant** for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing **[RECEIVER'S NAME]TDB Restructuring Limited ("TDB")** as receiver ~~[and manager]~~ (in such ~~capacities~~ capacity, the "**Receiver**") without security, of ~~all of the assets, undertakings and properties of [DEBTOR'S NAME] (the "Debtor") acquired for, or used in relation to a business carried on by~~ lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT) owned by Ajax Meadows Ltd. (the "Debtor"), including all proceeds and leases thereof (collectively, the "Property") was heard this day ~~at 330 University Avenue,~~ by judicial videoconference via Zoom in Toronto, Ontario.

**ON READING** the affidavit of **[NAME] Mitchell Oelbaum** sworn **[DATE] April 11, 2024** and the Exhibits thereto and on hearing the submissions of counsel for **[NAMES] the Applicant, and those other parties listed on the counsel slip**, no one else appearing for **[NAME] any other party** although duly served as appears from the affidavit of service of **[NAME] Katherine Yurkovich** sworn **[DATE] April 12, 2024**, and on reading the consent of **[RECEIVER'S NAME]TDB** to act as the Receiver,

## **SERVICE**

~~1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated<sup>3</sup> so that this motion is properly returnable today and hereby dispenses with further service thereof.~~

## **APPOINTMENT**

1. ~~2.~~ **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, **[RECEIVER'S NAME]TDB** is hereby appointed Receiver, without security, of ~~all of~~

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

<sup>3</sup> If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.



~~the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").~~

## RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- ~~(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;~~
- (c) ~~(d)~~ to engage consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;<sup>2</sup>
- ~~(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;~~

- (d) ~~(f)~~ to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (e) ~~(g)~~ to settle, extend or compromise any indebtedness owing to the Debtor with respect to the Property;
- (f) ~~(h)~~ to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) ~~(i)~~ to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor, the~~ Property or the Receiver, and to settle or compromise any such proceedings.<sup>4</sup> The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (h) ~~(j)~~ to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (i) ~~(k)~~ to sell, convey, transfer, lease or assign the Property or any part or parts thereof ~~out of the ordinary course of business,~~

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

<sup>4</sup> ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

~~which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;~~ and in each ~~such case~~ notice under subsection 63(4) of the Ontario *Personal Property Security Act*,~~†~~ or section 31 of the Ontario *Mortgages Act*, as the case may be,~~‡~~<sup>5</sup> shall not be required,~~and in each case the Ontario Bulk Sales Act shall not apply.~~

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

<sup>5</sup> ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (o) ~~(+)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations~~;~~<sub>2</sub>

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

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

4. ~~5.~~ **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph ~~54~~ or in paragraph ~~65~~ of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. ~~6.~~ **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service

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

~~7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.~~

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST ~~THE DEBTOR OR~~ THE PROPERTY**

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

## NO EXERCISE OF RIGHTS OR REMEDIES

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

## NO INTERFERENCE WITH THE RECEIVER

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

## CONTINUATION OF SERVICES

10. ~~12.~~ **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor in connection with or relating to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor in connection with or related to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, ~~and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.~~

## RECEIVER TO HOLD FUNDS

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

## EMPLOYEES

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

## PIPEDA

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

material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

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

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

#### **RECEIVER'S LEGAL COUNSEL**



16. **THIS COURT ORDERS** that the Receiver is authorized but not required to retain the same law firm to act as legal counsel as the Applicant, to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order, in any matter where there is no conflict arising from that firm's existing and ongoing role as counsel for the Applicant. In respect of any issue where a conflict may exist or arise in respect of the Applicant and the Receiver or a third party, the Receiver shall utilize independent counsel.

### **RECEIVER'S ACCOUNTS**

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

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

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

<sup>6</sup>~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

## FUNDING OF THE RECEIVERSHIP

20. ~~21.~~ **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ ~~\_\_\_\_\_~~ 300,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “Receiver’s Borrowings Charge”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

## SERVICE AND NOTICE

24. ~~25.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the **“Protocol”**) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at

~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ~~‘<@>’~~<https://tdbadvisory.ca/insolvency-case/ajax-meadows/>

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

26. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

## GENERAL

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

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

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

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

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

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

33. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion for leave to appeal is brought to an appellate court.



**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. **THIS IS TO CERTIFY** that ~~[RECEIVER'S NAME]~~ TDB Restructuring Limited, the receiver (the "Receiver") of the ~~assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor~~ lands and premises legally described as PCL 243-1 SEC 40M1677; BLK 243 PL 40M1677; Town of Ajax, and represented by property identification number (PIN) 26429-0003 (LT), including all proceeds and leases thereof (collectively, the **"Property"**) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_ day of \_\_\_\_\_, ~~20~~ 2024 (the "Order") made in an ~~action~~ application having Court file number \_\_-CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the \_\_\_\_ day of \_\_\_\_\_, ~~20~~2024.

~~[RECEIVER'S NAME]~~TDB  
RESTRUCTURING LIMITED, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: \_\_\_\_\_  
Name: Jeffrey Berger  
Title: CPA, CA, CIRP, LIT

VECTOR FINANCIAL SERVICES LIMITED

- and -

AJAX MEADOWS LTD.

Applicant

Respondent

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

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

RECEIVERSHIP ORDER

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Document comparison by Workshare Compare on April 12, 2024 9:04:05 AM

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Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	381

**Court File No. CV-24-00718243-00CL**

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

PROCEEDING COMMENCED AT TORONTO

**APPLICATION RECORD**

**(Returnable April 22, 2024)**

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