

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

BETWEEN:

**BANK OF MONTREAL**

Applicant

- and -

**2TH, INC. and DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL  
CORPORATION**

Respondents

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

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**APPLICATION RECORD OF BANK OF MONTREAL  
(Returnable October 13, 2023)**

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October 3, 2023

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*Lawyers for the Bank of Montreal*

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**INDEX**

<b><u>TAB</u></b>	<b><u>DOCUMENT</u></b>
1.	Notice of Application dated October 3, 2023
2.	Affidavit of Michaela Wolf sworn October 3, 2023
	<b>Exhibits</b>
A.	Corporate Profile Report for 2th, Inc.
B.	Corporate Profile Report for Dr. Mislav Pavelic Dentistry Professional Company
C.	Corporate Profile Report for Dr. Pavelic Dentistry Professional Corporation
D.	Corporate Profile Report for 2652714 Ontario Inc.
E.	Corporate Profile Report for Pinnacle Ridge Capital Group II, LP

	F.	Corporate Profile Report for Pinnacle Ridge Capital Group, Inc.
	G.	Letter of Agreement dated February 20, 2019
	H.	Guarantees granted by DPC, Pavelic DPC, Pinnacle Ridge Capital Group, Inc., 265 Ontario, Dr. Pavelic and Mr. Holland
	I.	General Security Agreements granted by 2th, Inc., DPC, Pavelic DPC, Pinnacle Ridge Capital Group, Inc., and 265 Ontario
	J.	PPSA Searches for 2th, Inc., DPC, Pavelic DPC, Pinnacle Ridge Capital Group, Inc., and 265 Ontario
	K.	BMO Exit Letter dated November 9, 2022
	L.	Forbearance Agreement dated December 23, 2022
	M.	Forbearance Extension Agreement dated May 23, 2023
	N.	BMO Email dated September 6, 2023
	O.	Demands and Notices of Intention to Enforce Security dated September 20, 2023
3.		Draft Receivership Order
4.		Blackline against Model Receivership Order
5.		Consent to Act as Receiver and Manager of KSV Restructuring Inc.
6.		Service List

# TAB 1



Court File No.

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*(Court seal)*

**NOTICE OF APPLICATION**

**TO THE RESPONDENTS**

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

THIS APPLICATION will come on for a hearing

- In person
- By telephone conference
- By video conference

before a judge presiding over the Commercial List on Friday, October 13, 2023, at 10:30 a.m., via Zoom coordinates to be provided.

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

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

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

Date: October 3, 2023

Issued by .....

Local registrar

Address of  
court office 330 University Ave  
Toronto, ON M5G 1R7

**TO: 2TH, INC.**  
926 Royal York Road  
Toronto, ON M8X 2E7

**AND TO: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**  
33 Rothsay Avenue  
Etobicoke, ON M8Z 4M2

## APPLICATION

**THE APPLICANT**, the Bank of Montreal (“**BMO**”), makes application for, among other things, an Order:

- a) if necessary, abridging the time for service and filing of this notice of application and the application record or, in the alternative, dispensing with and/or validating service of same, and declaring that this Application is properly returnable before the Court;
- b) appointing, pursuant to section 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario), KSV Restructuring Inc. (“**KSV**”) as receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, properties and undertakings (collectively, the “**Property**”) of each of 2th, Inc. (the “**Borrower**”) and Dr. Mislav Pavelic Dentistry Professional Corporation (collectively with the Borrower, the “**Respondents**”) acquired for or used in relation to a business or businesses carried on by the Respondents; and
- c) such further and other relief as is just.

**THE GROUNDS** for the application are:

### **The Borrower and Guarantors:**

1. The Borrower is a Canadian corporation, incorporated on September 7, 2018, with its stated registered office at 962 Royal York Road, Toronto, Ontario M8X 2E7. Dr. Mislav Pavelic (“**Dr. Pavelic**”) and Brian Holland (“**Brian**”) are the directors of the Borrower;

2. The Borrower's shareholders are 2652714 Ontario Inc. ("**265 Ontario**") and Pinnacle Ridge Capital Group II, LP ("**Pinnacle LP**"), each of which holds 50% of issued and outstanding shares of the Borrower. The principals of 265 Ontario and Pinnacle LP are Dr. Pavelic and Brian, respectively;

3. 265 Ontario is an Ontario corporation, incorporated on August 29, 2018, with its stated registered office at 33 Rothsay Avenue, Etobicoke, Ontario M8Z 4M2. Dr. Pavelic is the sole director and officer of 265 Ontario;

4. Pinnacle LP is an Ontario Limited Partnership, declared on September 26, 2018 and expired on September 25, 2023, with its stated principal place of business at 962 Royal York Road, Toronto, Ontario M8X 2E7. Pinnacle Ridge Capital Group, Inc. is the general partner of Pinnacle LP. Brian Holland is the sole director and officer of the general partner;

5. Dr. Mislav Pavelic Dentistry Professional Company ("**Pavelic DPC**") is an Ontario corporation, formed by amalgamation on September 28, 2018, with its stated registered office at 33 Rothsay Avenue, Etobicoke, Ontario M8Z 4M2. Dr. Pavelic is the sole director and officer of Pavelic DPC;

6. Dr. Pavelic Dentistry Professional Corporation ("**DPC**") is an Ontario corporation, incorporated on June 28, 2010, with its stated registered office at 25 The West Mall, 253, Etobicoke, Ontario M9C 1B8. Dr. Pavelic is the sole director of DPC;

7. The Borrower currently owns substantively all of the assets in a dental clinic called "2th Dental @ St. Clair Bathurst" located Unit 2, 1500 Bathurst Street, Toronto, Ontario (the "**St. Clair**

**Dental Clinic**”). The non-professional and technical goodwill of the St. Clair Dental Clinic is owned by Pavelic DPC;

8. The St. Clair Dental Clinic comprises the only remaining assets of the Borrower;

**The Letter of Agreement and BMO’s Security:**

9. The Borrower is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Borrower pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”);

10. The Borrower’s obligations to BMO pursuant to the Loan Agreement are guaranteed by each of DPC, Pavelic DPC, Pinnacle LP and 265 Ontario, and are jointly and severally guaranteed personally by each of Dr. Pavelic and Brian, all pursuant to guarantee agreements dated February 25, 2019 (collectively, the “**Guarantors**” and together with the Borrower, the “**Credit Parties**”);

11. As security for the Borrower’s obligations to BMO, including, without limitation, under the Loan Agreement, the Borrower and the Guarantors provided, among other things, general security agreements from each of the Borrower, DPC, Pavelic DPC, Pinnacle LP and 265 Ontario, each in favour of BMO, dated February 25, 2019, and which grant to BMO, among other things, a security interest in all of the grantors’ present and future equipment, inventory, intangibles, undertakings and other property and assets (collectively, the “**Security**”). Registrations in respect of the Security were duly made pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”).

12. In respect of each of the Borrower, Pavelic DPC, 265 Ontario and Pinnacle LP, BMO is the only party with a registered security interest under the PPSA;

13. In respect of DPC, in addition to BMO, the Canadian Dealer Lease Services Inc. and Bank of Nova Scotia - DLAC have made one or more registrations;

**Defaults and Demands for Payment:**

14. The obligations of the Borrower in respect of the Loan Agreement are due and payable at the option of BMO upon the occurrence of an event of default. There have been one or more defaults under the Loan Agreement, including, without limitation, monetary defaults since November 2022;

15. Following the defaults under the Loan Agreement, BMO issued an exit letter on November 9, 2022 which stated that BMO was no longer prepared to continue the lending arrangement with the Borrower and that arrangements were to be made to refinance and/or repay BMO in full by no later than December 9, 2022;

16. The Credit Parties failed to refinance and/or repay BMO in full in accordance with BMO's exit letter. The Credit Parties and BMO subsequently agreed that BMO would forbear from taking certain actions under the Loan Agreement and the Security in connection with the defaults of the Borrower, all solely on the terms and conditions set out in a Forbearance Agreement dated December 23, 2022 (the "**Forbearance Agreement**"). The Forbearance Agreement was subsequently amended pursuant to a Forbearance Extension Agreement dated May 23, 2023, which extended the forbearance period to August 31, 2023;

17. The forbearance period has now expired and the Credit Parties have refused or failed to repay BMO in full;

18. In the face of additional and persisting defaults, BMO made formal written demand on the Credit Parties for payment of the indebtedness owed to BMO by letters dated September 20, 2023 (the “**Demands**”), which were accompanied by a notice of intention to enforce security (the “**BIA Notices**”) delivered pursuant to subsection 244(1) of the BIA;

19. As set out in the Demands and the BIA Notices, a total of \$2,599,218.74 in principal and interest, plus accruing interest and recovery costs of BMO (including, without limitation, BMO’s legal and other professional fees) was owing by the Borrower and the Guarantors to BMO under the Loan Agreement as of September 18, 2023 (the “**Indebtedness**”). The Indebtedness continues to accrue;

20. Since the issuance of the Demands, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to BMO for the full repayment of the Indebtedness;

21. The ten (10) day statutory period under subsection 244(1) of the BIA has expired;

22. The Borrower is in default of its obligations under the Loan Agreement and the Forbearance Agreement, and is unwilling or unable to repay the Indebtedness;

**The Rationale for the Appointment Order:**

23. The Borrower has failed to (i) make payment in accordance with the Demands, or (ii) make alternative arrangements acceptable to BMO;

24. In addition, the Bank has also received two competing letters of interest for the purchase of the assets of St. Clair Dental Clinic from each of Brian and Dr. Pavelic, respectively, neither of which would see the Bank repaid in full;

25. There has been a breakdown in the relationship as between the directors and beneficial owners of the Borrower, Dr. Pavelic and Brian, which has led to a standstill over the marketing and sale of the St. Clair Dental Clinic;

26. BMO requires certainty in its dealings with the Borrower;

27. The Bank has lost confidence in management and is concerned that the shareholder dispute will erode the value of the remaining assets and disrupt the business;

28. The primary intention of the receivership is to commence a realization process for the sale of the St. Clair Dental Clinic;

29. The provisions of the Security allow for the appointment of a Receiver over the Property of the Respondents upon default;

30. The forbearance period has expired over 30 days ago, and the Bank is contractually entitled to enforce on its security pursuant to the terms of the Forbearance Agreement;

31. The appointment of a Receiver is necessary for the protection of the interests of BMO as a secured creditor, alongside any other stakeholders;

32. The Receiver, if appointed, will be able to efficiently market the remaining dental clinic for sale and maximize recovery for the stakeholders, while also alleviating any shareholder involvement;

33. It is expected that the Bank will suffer a shortfall on the Indebtedness, and will be required to seek recovery against the Guarantors;

34. KSV is a licenced insolvency trustee and has consented to act as receiver and manager if so appointed by the Court;

**General Grounds:**

35. Section 243 of the BIA;

36. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

37. Any applicable rules of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, including, without limitation, rule 40; and

38. Such further grounds as counsel may advise and this Court may permit;

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

39. The Affidavit of Michaela Wolf to be sworn and filed, and all exhibits thereto;

40. The Consent of KSV to act as Receiver; and

41. Such further and other evidence as counsel may advise and this Honourable Court may permit.

October 3, 2023

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Lawyers for the Bank of Montreal

**BANK OF MONTREAL**

- and -

**2TH, INC. ET AL.**

Applicant

Respondents

Court File No.

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

**Proceedings commenced at Toronto**

**NOTICE OF APPLICATION**

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Lawyers for the Bank of Montreal

# TAB 2

**ONTARIO  
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(COMMERCIAL LIST)**

B E T W E E N:

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Applicant

- and -

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Respondents

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**AFFIDAVIT OF MICHAELA WOLF  
(sworn October 3, 2023)**

I, **MICHAELA WOLF**, of the City of Toronto, in the Province of Ontario, **MAKE OATH  
AND SAY AS FOLLOWS:**

1. I am a Senior Account Manager in the Special Accounts Management Unit (“**SAMU**”) of Bank of Montreal (the “**Bank**” or “**BMO**”). The Bank is a secured creditor of 2th, Inc. (the “**Borrower**”) and Dr. Mislav Pavelic Dentistry Professional Corporation (collectively, the “**Respondents**”), and I am one of the persons at the Bank responsible for management of the Borrower’s accounts and credit facilities. As such, I have personal knowledge of the matters to

which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this Affidavit in support of BMO's application for an Order, *inter alia*, appointing KSV Restructuring Inc. ("**KSV**") as receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, properties and undertakings (collectively, the "**Property**") of each of the Respondents acquired for or used in relation to a business or businesses carried on by the Respondents.

**The Borrower and Guarantors:**

*Borrower*

3. The Borrower is a company incorporated pursuant to the laws of Canada. Attached to this affidavit and marked as **Exhibit "A"** is a true copy of the Corporate Profile Report of the Borrower, wherein Dr. Mislav Pavelic ("**Dr. Pavelic**") and Mr. Brian Holland ("**Brian**") are listed as the directors of the Borrower.

4. I understand, based on the corporate information delivered to the Bank, that the Borrower's shareholders are 2652714 Ontario Inc. ("**265 Ontario**") and Pinnacle Ridge Capital Group II, LP ("**Pinnacle LP**"), each of which holds 50% of issued and outstanding shares of the Borrower. The principals of 265 Ontario and Pinnacle LP are Dr. Pavelic and Brian, respectively.

*Corporate Guarantors*

5. Dr. Mislav Pavelic Dentistry Professional Company ("**Pavelic DPC**") is a company incorporated pursuant to the laws of the Province of Ontario. Attached to this affidavit and marked

as **Exhibit “B”** is a true copy of the Corporate Profile Report of Pavelic DPC, which identifies Dr. Pavelic as the sole director and officer of Pavelic DPC.

6. Dr. Pavelic Dentistry Professional Corporation (“**DPC**”) is a company incorporated pursuant to the laws of the Province of Ontario. Attached to this affidavit and marked as **Exhibit “C”** is a true copy of the Corporate Profile Report of DPC, which identifies Dr. Pavelic as the sole director of DPC.

7. 265 Ontario is a company incorporated pursuant to the laws of the Province of Ontario. Attached to this affidavit and marked as **Exhibit “D”** is a true copy of the Corporate Profile Report of 265 Ontario, which identifies Dr. Pavelic as the sole director and officer of 265 Ontario.

8. Pinnacle LP is an Ontario Limited Partnership. Attached to this affidavit and marked as **Exhibit “E”** is a true copy of the Profile Report of Pinnacle LP, which identifies Pinnacle Ridge Capital Group, Inc. as the general partner of Pinnacle LP. Attached to this affidavit and marked as **Exhibit “F”** is a true copy of the Corporate Profile Report of Pinnacle Ridge Capital Group, Inc., which identifies Brian as the sole director and officer of the general partner.

### *Background*

9. The Borrower currently owns substantively all of the assets in a dental clinic called “2th Dental @ St. Clair Bathurst” located Unit 2, 1500 Bathurst Street, Toronto, Ontario (the “**St. Clair Dental Clinic**”). The non-professional and technical goodwill of the St. Clair Dental Clinic is owned by Pavelic DPC.

10. The Borrower previously owned substantively all of the assets in another dental clinic which carried on business as “2th Dental @ Glenashton” located at Unit 5, 2165 Grosvenor St.,

Oakville, Ontario (the “**Glenashton Clinic**”). The goodwill was owned by Pavelic DPC. The Glenashton Clinic was sold in August 2023, and the net proceeds generated from the sale transaction were used to permanently pay down the Indebtedness (as defined below).

11. In addition, as will be discussed below, as part of the Forbearance Agreement (as defined below), the Bank obtained a secured guarantee from 2th Clinic, Inc. (“**2th Clinic**”), a related party to the Borrower, and which previously owned and operated, together with Dr. Mislav Steven Dentistry Professional Corporation (“**DMS PC**”), a dental clinic carrying on business as “2th Dental @ Fort York” (the “**Fort York Clinic**”). The Fort York Clinic was sold in June 2023, and the net proceeds generated from the sale transaction were used to permanently pay down the Indebtedness (as defined below). Each of 2th Clinic and DMS PC were subsequently released as guarantors following closing.

12. The only remaining assets of the Respondents of any value are the St. Clair Dental Clinic.

**The Letter of Agreement and BMO’s Security:**

13. The Borrower is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Borrower pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”), a copy of which is attached hereto and marked as **Exhibit “G”**.

14. The Borrower’s obligations to BMO pursuant to the Loan Agreement are guaranteed by each of DPC, Pavelic DPC, Pinnacle Ridge Capital Group, Inc. in its capacity as general partner for Pinnacle LP, and 265 Ontario, and are jointly and severally guaranteed personally by each of

Dr. Pavelic and Brian, all pursuant to guarantee agreements dated February 25, 2019 (collectively, the “**Guarantors**” and together with the Borrower, the “**Credit Parties**”).

15. Copies of the February 25, 2019 guarantees executed by each of the above-named Guarantors are attached hereto as **Exhibit “H”**. Each guarantees performance of the Loan Agreement up to its total facility limit of \$6,495,000.00.

16. As security for the Borrower’s obligations to BMO, including, without limitation, under the Loan Agreement, the Borrower and the Guarantors provided, among other things, general security agreements from each of the Borrower, DPC, Pavelic DPC, Pinnacle Ridge Capital Group, Inc. in its capacity as general partner for Pinnacle LP, and 265 Ontario, each in favour of BMO, dated February 25, 2019, which grant to BMO, among other things, a security interest in all of the grantors’ present and future equipment, inventory, intangibles, undertakings and other property and assets (collectively, the “**Security**”). Copies of the GSAs are attached hereto as **Exhibit “I”**.

17. Registrations in respect of the Property were duly made pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”). Copies of the certified PPSA searches for the Credit Parties are attached hereto as **Exhibit “J”**.

13. BMO is the only party with a registered security interest under the PPSA in respect of the Borrower, Pavelic DPC, 265 Ontario and Pinnacle LP. In respect of DPC, in addition to BMO, the Canadian Dealer Lease Services Inc. and Bank of Nova Scotia – DLAC have made one or more registrations. In respect of Pinnacle Ridge Capital Group, Inc., in addition to BMO, The Toronto-Dominion Bank has made a registration.

14. The GSAs granted by the Respondents allow BMO to appoint a receiver over the Respondents' property upon the occurrence of a default. Section 10 of the GSAs provides:

Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Borrower. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Borrower, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Borrower, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Borrower and the Bank shall not be responsible for his or their actions. [emphasis added in underline]

**Defaults and Demands for Payment:**

15. The obligations of the Borrower in respect of the Loan Agreement are due and payable at the option of BMO upon the occurrence of an event of default. There have been one or more defaults under the Loan Agreement, including, without limitation, monetary defaults since November 2022.

16. Following the defaults under the Loan Agreement, BMO issued an exit letter on November 9, 2022 which stated that BMO was no longer prepared to continue the lending arrangement with the Borrower and that arrangements were to be made to refinance and/or repay BMO in full by no later than December 9, 2022. A copy of the November 9, 2022 exit letter is attached hereto and marked as **Exhibit "K"**.

17. The Credit Parties failed to refinance and/or repay BMO in full in accordance with BMO's exit letter. The Credit Parties and BMO subsequently agreed that BMO would forbear from taking certain actions under the Loan Agreement and the Security in connection with the defaults of the Borrower, all solely on the terms and conditions set out in a Forbearance Agreement dated December 23, 2022 (the "**Forbearance Agreement**").

18. As part of the Forbearance Agreement, the Bank obtained additional guarantees and security from each 2th Clinic and DMS PC. These guarantors were subsequently released by the Bank as part of the closing of the sale transaction for the Fort York Clinic.

19. The Forbearance Agreement was subsequently amended pursuant to a Forbearance Extension Agreement dated May 23, 2023, which extended the forbearance period to August 31, 2023. Copies of the Forbearance Agreement and the Forbearance Extension Agreement are attached hereto and marked as **Exhibit "L"** and **"M"**.

20. The forbearance period has now expired and the Credit Parties have refused or failed to repay BMO in full.

21. On September 6, 2023, BMO issued a communication to the principals of the Borrower, advising that the forbearance period expired on August 31, 2023, and conveying that the Bank had not waived any defaults and reserved any and all of its rights and remedies. A copy of my email dated September 6, 2023 to Dr. Pavelic and Brian, with attachments, is attached as **Exhibit "N"**.

22. In the face of additional and persisting defaults, BMO made formal written demand on the Credit Parties for payment of the indebtedness owed to BMO by letters dated September 20, 2023 (the "**Demands**"), which were accompanied by a notice of intention to enforce security (the "**BIA**

**Notices**”) delivered pursuant to subsection 244(1) of the BIA. Copies of the September 20, 2023 Demands and BIA Notices are attached hereto as **Exhibit “O”**.

23. As set out in the Demands and the BIA Notices, a total of \$2,599,218.74 in principal and interest, plus accruing interest and recovery costs of BMO (including, without limitation, BMO’s legal and other professional fees) was owing by the Borrower and the Guarantors to BMO under the Loan Agreement as of September 18, 2023 (the “**Indebtedness**”). The Indebtedness continues to accrue.

24. Since the issuance of the Demands, the Credit Parties have failed or refused to (a) repay the Indebtedness in full or (b) enter into any arrangements acceptable to BMO for the full repayment of the Indebtedness.

25. The Borrower is in default of its obligations under the Loan Agreement and the Forbearance Agreement, and is unwilling or unable to repay the Indebtedness.

26. In addition, the Bank has also received two competing letters of interest for the purchase of the assets of St. Clair Dental Clinic from each of Brian and Dr. Pavelic, respectively, neither of which would see the Bank repaid in full.

27. The Bank also understands that there has been a breakdown in the relationship as between Dr. Pavelic and Brian as the principals and shareholders of the Borrower, leading to a standstill as it relates to the marketing and sale of the St. Clair Dental Clinic.

28. The primary intention of the receivership is to commence a realization process for the sale of the St. Clair Dental Clinic.

**The Rationale for the Appointment Order:**

29. The ten (10) day statutory period under subsection 244(1) of the BIA has expired.
30. The Bank has lost confidence in management and is concerned that the shareholder dispute will erode the value of the remaining assets and disrupt the business.
31. The provisions of the Security allow for the appointment of a Receiver over the Property upon default.
32. The forbearance period has expired over 30 days ago, and the Bank is contractually entitled to enforce on its security pursuant to the terms of the Forbearance Agreement.
33. The Borrower has failed to (i) repay the Indebtedness in full in accordance with the Demands, or (ii) make alternative arrangements acceptable to BMO.
34. The appointment of a Receiver is necessary for the protection of the interests of BMO as a secured creditor, alongside any other stakeholders.
35. The Receiver, if appointed, will be able to efficiently market the St. Clair Dental Clinic for sale and maximize recovery for the stakeholders, while also alleviating any shareholder involvement.
36. It is expected that the Bank will suffer a shortfall on the Indebtedness, and will be required to seek recovery against the Guarantors.
37. The Bank proposes that KSV be appointed as Receiver, without security, over all of the assets, undertakings and properties of the Respondents.

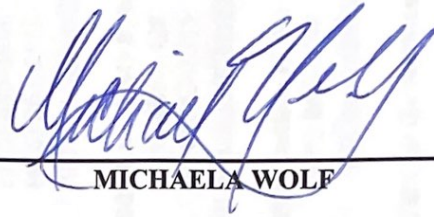
38. KSV is a licenced insolvency trustee and has consented to act as receiver and manager if so appointed by the Court.

SWORN remotely by Michaela Wolf, via videoconference, stated as being located in the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, this 3<sup>rd</sup> day of October, 2023, in accordance with O. Reg 431/20, Declaration Remotely.



\_\_\_\_\_  
Commissioner for Taking Affidavits

***Calvin Peter Horsten, a***

  
\_\_\_\_\_  
MICHAELA WOLF

***Comissioner, etc., Province of Ontario, while a Student-at-Law.***

***Expires June 14, 2025.***

This is Exhibit "A" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

A handwritten signature in black ink, appearing to read "Horsten". The signature is written in a cursive style with a large initial "H" and a horizontal line extending from the end.

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*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Corporate Profile / Profil corporatif

<b>Date and time of Corporate Profile (YYYY-MM-DD)</b>	2022-11-02 12:38 PM	<b>(AAAA-MM-JJ) Date et heure du Profil corporatif</b>
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CORPORATE INFORMATION		RENSEIGNEMENTS CORPORATIFS
<b>Corporate name</b>	<b>Dénomination</b>	
	2th, Inc.	
<b>Corporation number</b>	1098189-3	<b>Numéro de société ou d'organisation</b>
<b>Business number</b>	735446718RC0001	<b>Numéro d'entreprise</b>
<b>Governing legislation</b>	<b>Régime législatif</b>	
	<i>Canada Business Corporations Act (CBCA) - 2018-09-07</i> <i>Loi canadienne sur les sociétés par actions (LCSA) - 2018-09-07</i>	
<b>Status</b>	<b>Statut</b>	
	Active	
	Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	962 Royal York Road Toronto ON M8X 2E7 Canada

ANNUAL FILINGS		DÉPÔTS ANNUELS
<b>Anniversary date (MM-DD)</b>	09-07	<b>(MM-JJ) Date anniversaire</b>
<b>Filing period (MM-DD)</b>	09-07 to/au 11-06	<b>(MM-JJ) Période de dépôt</b>
<b>Status of annual filings</b>	<b>Statut des dépôts annuels</b>	
	Due to be filed	2022
	Overdue	2021
	Overdue	2020
	Dépôt dû	
	En retard	
	En retard	
<b>Date of last annual meeting (YYYY-MM-DD)</b>	Not available / Pas disponible	<b>(AAAA-MM-JJ) Date de la dernière assemblée annuelle</b>
<b>Type</b>	<b>Type</b>	
	Not available	
	Pas disponible	

DIRECTORS		ADMINISTRATEURS
<b>Minimum number</b>	1	<b>Nombre minimal</b>
<b>Maximum number</b>	10	<b>Nombre maximal</b>
<b>Current number</b>	2	<b>Nombre actuel</b>
Mislav Pavelic Brian Holland	33 Rothsay Avenue, Toronto ON M8Z 4M2, Canada 962 Royal York Road, Toronto ON M8X 2E7, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
<b>Corporate name history (YYYY-MM-DD)</b>		<b>(AAAA-MM-JJ) Historique de la dénomination</b>
2018-09-07 to / à 2018-11-02 2018-11-02 to present / à maintenant	10981893 Canada Inc. 2th, Inc.	
<b>Certificates issued (YYYY-MM-DD)</b>		<b>(AAAA-MM-JJ) Certificats émis</b>
Certificate of Incorporation	2018-09-07	Certificat de constitution en société
Certificate of Amendment	2018-11-02	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Corporate name		Dénomination sociale
Certificate of Amendment	2022-08-12	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Other		Autre
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.		Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
<b>Documents filed (YYYY-MM-DD)</b>		<b>(AAAA-MM-JJ) Documents déposés</b>

<p>The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.</p>	<p>Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.</p>
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This is Exhibit "B" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.



---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Profile Report

DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION as of November 02, 2022

<b>Act</b>	Business Corporations Act
<b>Type</b>	Ontario Business Corporation
<b>Name</b>	DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION
<b>Ontario Corporation Number (OCN)</b>	5002450
<b>Governing Jurisdiction</b>	Canada - Ontario
<b>Status</b>	Active
<b>Date of Amalgamation</b>	September 28, 2018
<b>Registered or Head Office Address</b>	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name Mislav PAVELIC  
Address for Service 33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2  
Resident Canadian Yes  
Date Began September 28, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Active Officer(s)**

<b>Name</b>	Mislav PAVELIC
<b>Position</b>	President
<b>Address for Service</b>	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2
<b>Date Began</b>	September 28, 2018

<b>Name</b>	Mislav PAVELIC
<b>Position</b>	Secretary
<b>Address for Service</b>	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2
<b>Date Began</b>	September 28, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Corporate Name History**

**Name**

DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL  
CORPORATION

**Effective Date**

September 28, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Amalgamating Corporations**

**Corporation Name**

DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION

**Ontario Corporation Number**

2652506

**Corporation Name**

ROBERT DEMIGLIO AND JOSEPH FAVA DENTISTRY PROFESSIONAL CORPORATION

**Ontario Corporation Number**

2121882

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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Additional historical information may exist in paper or microfiche format.

### Active Business Names

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

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

### Expired or Cancelled Business Names

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

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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## Document List

Filing Name	Effective Date
CIA - Initial Return PAF: MISLAV PAVELIC - DIRECTOR	November 28, 2018
BCA - Articles of Amalgamation	September 28, 2018

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 Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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This is Exhibit "C" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Profile Report

DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION as of November 02, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION
Ontario Corporation Number (OCN)	2248833
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	June 28, 2010
Registered or Head Office Address	25 The West Mall, 253, Etobicoke, Ontario, Canada, M9C 1B8

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name Mislav PAVELIC  
Address for Service 25 The West Mall, 253, Etobicoke, Ontario, Canada, M9C 1B8  
Resident Canadian Yes  
Date Began June 28, 2010

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Active Officer(s)**

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

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Corporate Name History**

**Name**

**Effective Date**

DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION  
June 28, 2010

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*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 Government and Consumer Services.

*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 Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Document List**

**Filing Name**

BCA - Articles of Incorporation

**Effective Date**

June 28, 2010

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

This is Exhibit "D" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Profile Report

2652714 ONTARIO INC. as of November 02, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2652714 ONTARIO INC.
Ontario Corporation Number (OCN)	2652714
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	August 29, 2018
Registered or Head Office Address	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

**Active Director(s)**

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

**Name** Mislav PAVELIC  
**Address for Service** 33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2  
**Resident Canadian** Yes  
**Date Began** August 29, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

**Active Officer(s)**

<b>Name</b>	Mislav PAVELIC
<b>Position</b>	President
<b>Address for Service</b>	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2
<b>Date Began</b>	August 29, 2018

<b>Name</b>	Mislav PAVELIC
<b>Position</b>	Secretary
<b>Address for Service</b>	33 Rothsay Avenue, Etobicoke, Ontario, Canada, M8Z 4M2
<b>Date Began</b>	August 29, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Corporate Name History**

**Name**

2652714 ONTARIO INC.

**Effective Date**

August 29, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*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 Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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

### Expired or Cancelled Business Names

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

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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## Document List

Filing Name	Effective Date
CIA - Initial Return PAF: MISLAV PAVELIC - DIRECTOR	August 29, 2018
BCA - Articles of Incorporation	August 29, 2018

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 Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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This is Exhibit "E" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Profile Report

PINNACLE RIDGE CAPITAL GROUP II, LP as of November 02, 2022

Act	Limited Partnerships Act
Type	Ontario Limited Partnership
Firm Name	PINNACLE RIDGE CAPITAL GROUP II, LP
Business Identification Number (BIN)	281021782
Declaration Status	Active
Declaration Date	September 26, 2018
Expiry Date	September 25, 2023
Principal Place of Business	962 Royal York Road, Toronto, Ontario, Canada, M8X 2E7
Activity (NAICS Code)	[Not Provided] - [Not Provided]

Certified a true copy of the record of the Ministry of Government and Consumer Services.

A handwritten signature in black ink, appearing to read "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.

## General Partners

Number of General Partners 1

## Partners

### Partner 1

Name	PINNACLE RIDGE CAPITAL GROUP INC.
Ontario Corporation Number (OCN)	2408654
Entity Type	Ontario Business Corporation
Registered or Head Office Address	962 Royal York Road, Toronto, Ontario, Canada, M8X 2E7

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Firm Name History**

**Name**

**Effective Date**

PINNACLE RIDGE CAPITAL GROUP II, LP  
September 26, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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### Active Business Names

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

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*V. Quintanilla W.*

Director/Registrar

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### Expired or Cancelled Business Names

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

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*V. Quintanilla W.*

Director/Registrar

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## Document List

Filing Name	Effective Date
LPA - File a Declaration of an Ontario Limited Partnership	September 26, 2018

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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This is Exhibit "F" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



## Profile Report

PINNACLE RIDGE CAPITAL GROUP, INC. as of November 02, 2022

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	PINNACLE RIDGE CAPITAL GROUP, INC.
Ontario Corporation Number (OCN)	2408654
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	February 26, 2014
Registered or Head Office Address	16 Yonge Street, 4002, Toronto, Ontario, Canada, M5E 2A1

Certified a true copy of the record of the Ministry of Government and Consumer Services.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.".

Director/Registrar

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**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 1

Name Brian HOLLAND  
Address for Service 16 Yonge Street, 4002, Toronto, Ontario, Canada, M5E 2A1  
Resident Canadian Yes  
Date Began February 26, 2014

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*V. Quintanilla W.*

Director/Registrar

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**Active Officer(s)**

<b>Name</b>	Brian HOLLAND
<b>Position</b>	President
<b>Address for Service</b>	16 Yonge Street, 4002, Toronto, Ontario, Canada, M5E 2A1
<b>Date Began</b>	February 26, 2014

<b>Name</b>	Brian HOLLAND
<b>Position</b>	Secretary
<b>Address for Service</b>	16 Yonge Street, 4002, Toronto, Ontario, Canada, M5E 2A1
<b>Date Began</b>	February 26, 2014

Certified a true copy of the record of the Ministry of Government and Consumer Services.

*V. Quintanilla W.*

Director/Registrar

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**Corporate Name History**

**Name**

PINNACLE RIDGE CAPITAL GROUP, INC.

**Effective Date**

February 26, 2014

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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.

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*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.

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*V. Quintanilla W.*

Director/Registrar

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## Document List

Filing Name	Effective Date
CIA - Initial Return PAF: DAVID NG - OTHER	April 09, 2014
BCA - Articles of Incorporation	February 26, 2014

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.

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*V. Quintanilla W.*

Director/Registrar

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This is Exhibit "G" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

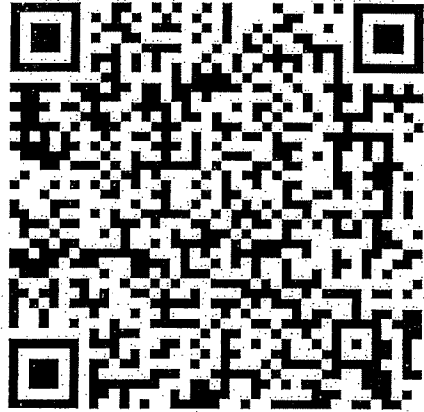
A handwritten signature in black ink, appearing to read "Horsten". The signature is written in a cursive style with a large initial "H".

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*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*



**Company Legal Name: 2TH, INC.**

**Document Name: LF984 - Letter of Agreement**

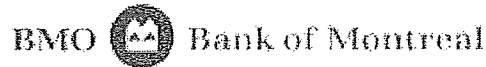
**Customer Tracking ID: 023242409309800**

**Application ID: 200129652**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

# Letter of Agreement



First Canadian Place  
100 King Street West  
Toronto, Ontario M5X 1A3

February 20, 2019

2th, Inc.  
2-1500 Bathurst Street  
York, Ontario M5P 3L3

Attention: Dr. Mislav Pavelic, Mr. Brian Holland

## LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following new credit Facilities for **2TH, INC.** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

**Borrower(s):** 2th, Inc.  
**(the "Borrower")**

**Guarantor(s):** Dr. Mislav Pavelic, Mr. Brian Holland (Personal Guarantors)  
Dr. Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dental  
Professional Corporation, Pinnacle Ridge Capital Group II, LP and 2652714  
Ontario Inc. (Corporate Guarantors)  
**(the "Guarantor(s)")**

**Total Facility Limit:** The total approved amount of all facilities shall not exceed \$6,495,000.00 at any time.

**Facility # 1**

**Facility Authorization:** \$1,675,000.00 CAD

**Type of Loan:** Asset and capital financing

**Purpose:** To finance 100% of the shares, and assets, of a well-established dental clinic Bob Adler Dentistry Professional Corporation located at 1466 Bathurst St, Unit 204, Toronto, Ontario, M5R 3S3

**Maximum Amortization:** 120 months

**Advance Options**

**Demand Loan** \$1,675,000.00 **Interest Rate:** Prime Rate plus 0.00%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of February 20, 2019 is 3.95%.

**Non Revolving**

**Repayment Terms:** Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

OR

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

**Fixed Rate Term Loan** \$1,675,000.00 Option to convert to fixed rate term loan with 1, 3 and 5 year maturity at any point.

**Interest Rate:** To be determined at time of Advance. By way of reference only, the rate in effect as of February 20, 2019 for a one year term is 4.65% per annum; and the rate is valid for 10 days, and thereafter subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

**Repayment Terms:** Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.

OR

Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

**Prepayment Terms:** May not be prepaid, in whole or in part, prior to the maturity date.

**Maximum Term:** 5 years

**Maturity Date:** The last day of the month determined based on the term selected and the date of advance.

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

**Facility # 2**

**Facility Authorization:** \$2,000,000.00 CAD (existing)

**Type of Loan:** Asset and capital financing

**Purpose:** To finance 100% of the shares, and assets, of a well-established dental clinic located at 1500 Bathurst Street, Unit 2, Toronto, Ontario, M5P 3L3

**Maximum Amortization:** 120 months

**Advance Options**

**Demand Loan  
Non  
Revolving**

**Interest Rate:** Prime Rate plus 0.00%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of February 20, 2019 is 3.95%.

**Repayment Terms:** Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

OR

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty.

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

**Fixed Rate  
Term Loan**

Option to convert to fixed rate term loan with 1, 3 and 5 year maturity at any point.

**Interest Rate:** To be determined at time of Advance. By way of reference only, the rate in effect as of February 20, 2019 for a one year term is 4.65% per annum; and the rate is valid for 10 days, and thereafter subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if

the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

**Repayment Terms:** Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.

OR

Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

**Prepayment Terms:** May not be prepaid, in whole or in part, prior to the maturity date.

**Maximum Term:** 5 years

**Maturity Date:** The last day of the month determined based on the term selected and the date of advance.

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

**Facility # 3**

**Facility Authorization:** \$400,000.00 CAD

**Type of Loan:** Asset and capital financing

**Purpose:** To finance 100% of the assets of Mark J. Litvack Dentistry Professional Corporation located at 1500 Bathurst Street, Unit 2, Toronto, Ontario, M5P 3L3

**Maximum Amortization:** 120 months

**Advance Options**

**Demand Loan  
Non  
Revolving**

**Interest Rate:** Prime Rate plus 0.00%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of February 20, 2019 is 3.95%.

**Repayment Terms:** Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

OR

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

**Fixed Rate  
Term Loan**

Option to convert to fixed rate term loan with 1, 3 and 5 year maturity at any point.

**Interest Rate:** To be determined at time of Advance. By way of reference

only, the rate in effect as of February 20, 2019 for a one year term is 4.65% per annum; and the rate is valid for 10 days, and thereafter subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

**Repayment Terms:** Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.

OR

Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

**Prepayment Terms:** May not be prepaid, in whole or in part, prior to the maturity date.

**Maximum Term:** 5 years

**Maturity Date:** The last day of the month determined based on the term selected and the date of advance.

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

**Facility # 4**

**Facility Authorization:** \$1,750,000.00 CAD

**Type of Loan:** Asset and capital financing

**Purpose:** To finance 100% of total purchase of a well-established dental clinic Daniel K. Lee Dentistry Professional Corporation located at 2165 Grosvenor St /5, Oakville, ON, L6H 7K9

**Maximum Amortization:** 120 months

**Advance Options**

**Demand Loan  
Non  
Revolving**

**Interest Rate:** Prime Rate plus 0.00%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of February 20, 2019 is 3.95%.

**Repayment Terms:** Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

OR

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

**Fixed Rate  
Term Loan**

Option to convert to fixed rate term loan with 1, 3 and 5 year maturity at any point.

**Interest Rate:** To be determined at time of Advance. By way of reference only, the rate in effect as of February 20, 2019 for a one year term is 4.65% per annum; and the rate is valid for 10 days, and thereafter subject to change at BMO's sole discretion from time to time.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

**Repayment Terms:** Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, payment frequency, amortization, and term.

OR

Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

**Prepayment Terms:** May not be prepaid, in whole or in part, prior to the maturity date.

**Maximum Term:** 5 years

**Maturity Date:** The last day of the month determined based on the term selected and the date of advance.

**Other:** Amortized over 10 years with first 12 months interest only payments. Either blended or principal and interest repayment thereafter based on remaining 108 mths of amortization.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

**Facility # 5**

**Facility Authorization:** \$550,000.00 CAD (increase from existing \$175,000.00)

**Type of Loan:** Operating Demand Loan

**Purpose:** Operating Financing

**Interest Rate:** Prime Rate plus 0%. Interest is calculated monthly in arrears, and payable monthly on the last day of each month. The Prime Rate in effect as of February 20, 2019 is 3.95%.

**Repayments:** Repayable on demand

**Facility Fee:** \$70.00 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees.

**Other Costs:** BMO is not obliged to permit the Advances under this Facility to exceed the Facility Authorization.

In the event the Advances under this Facility exceeds the Facility Authorization, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Facility Authorization or \$100, whichever is greater and a \$5 overdraft handling charge per item that creates or increases the excess.

**Facility # 6**

**Facility Authorization:** \$120,000.00 CAD (increase from existing \$40,000.00)

**Type of Loan:** Corporate MasterCard<sup>®</sup>

**Purpose:** Operating Financing

**Interest Rate:** As determined by Corporate MasterCard Agreement.

**Repayments:** As determined by Corporate MasterCard Agreement.

**Facility Fee:** As determined by Corporate MasterCard Agreement.

® MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.

**Conditions Precedent to Advances:**

BMO will not be required to make any advance to the Borrower unless and until each of the conditions set out below and in Schedule C has been completed to BMO's satisfaction

1. Completion of all loan and account documents and all Security as outlined below.

2. Compliance with all covenants, representations and warranties in all loan documents and Security.
3. Receipt of satisfactory legal opinions relating to all matters considered relevant by BMO including, without limitation, the due authorization, execution, delivery and enforceability of the Loan and Security documentation by and against the Borrower and each Guarantor, if any.
4. Receipt of all information necessary for BMO to comply with all legal and internal requirements in respect of money laundering and proceeds of crime legislation, and "know your customer" requirements.
5. Satisfactory review by BMO (or, at BMO's option and the Borrower's expense, an insurance consultant) of insurance policies issued to the Borrower and each Guarantor, if any, and compliance with any changes required to satisfy BMO's insurance requirements.
6. Satisfactory evidence that sufficient disability, professional liability and business interruption insurance is in place prior to advancing any facilities
7. Confirmation of no material adverse change to the Borrower and the Guarantor and their respective property and assets since the latest financial statements provided to BMO.
8. Confirmation that no default or breach under this Letter of Agreement, any of the loan documents or the Security has occurred.
9. **To be Obtained:** Letter of transmittal in favour of BMO for the valuation reports (Bob Adler DPC and Daniel K. Lee DPC reports).
10. **To be Obtained:** Accountant prepared financial statements of Dr Pavelic Dentistry Professional Corporation for most recent fiscal-year-end with corporate tax filing and notice of assessment (within 30 days of drawdown).

**Covenants:**

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

**Financial Covenants:**

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor:

**Maintain a Debt Service Coverage (DSC) ratio greater than or equal to 1.25:1. Calculated as below:**

$$\text{DSC} = \frac{(\text{Net Income} + \text{Interest} + \text{Depreciation} + \text{Amortization})}{(\text{Current Portion of Long Term Debt} + \text{Interest} + \text{Non-Discretionary Dividend})}$$

DSC covenant to be applicable from fiscal year end December 31<sup>st</sup>, 2019 to be tested at annual review due April 30<sup>th</sup>, 2020.

**Additional Covenants:**

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

Positive Covenants: As long as any advances remain outstanding, the Borrower will:

1. Cause to be paid all amounts of principal, interest and fees on the dates, times and place specified herein;
2. Provide all information as requested under the Reporting Requirements detailed herein;
3. Advise the Bank promptly of the occurrence of any events of default of the Borrower;
4. Cause to be done all things necessary to maintain in good standing its corporate existence;
5. Cause to be paid all lawful taxes, assessments and Government charges;
6. Provide the Bank with information and financial data as it may request from time to time
7. Continue to carry on the operations currently being carried on by the Borrower; and Maintain adequate insurance on all of its assets, undertakings and business risks

Negative Covenants:

1. The Borrower hereby agrees with the Bank that, unless the Bank shall have consented in writing, so long as any advances hereunder remains outstanding, they shall not; 1. Guarantee or act as surety or agree to indemnify the debts of others;
2. Incur or create any further or additional indebtedness, except under the said Facilities, and except for

- such normal indebtedness as may be incidental to the ordinary course of business;
3. Hypothecate, charge, pledge or otherwise encumber their assets to secure any other indebtedness for borrowed money;
  4. Cease to carry on the business currently being carried on by it on the date hereof;
  5. Merge, amalgamate, acquire, re-organize or change direct or indirect control, without the Bank's prior written approval;
  6. Payment of Dividends, redeem preferred shares/capital or other payments/repayments to shareholders is permitted only if debt service covenant is minimum 1.25 for the borrower, before and after payment.
  7. Corporate guarantor not permitted to guarantee any other entity without BMO prior consent

**Security:**

Each of the following documents, instruments, agreements and other assurances (collectively, the "**Security**") shall be delivered to BMO prior to any advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

1. Joint and several personal guarantee in the amount of \$6,495,000.00 from Dr. Mislav Pavelic, Mr. Brian Holland
2. Corporate guarantee from Dr. Mislav Pavelic Dentistry Professional Corporation & Dr Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP and 2652714 Ontario Inc. in the amount of \$6,495,000.00, with enabling resolution
3. Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower with a First ranking for CDN Accounts Receivable, Machinery and Equipment, Inventory/Warehouse Receipts. Additional address to be added: (i) 1466 Bathurst St, Unit 204, Toronto, Ontario, M5R 3S3, (ii) 2165 Grosvenor St, #5, Oakville, ON, L6H 7K9
4. Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") over Corporate Guarantors (Dr. Mislav Pavelic Dentistry Professional Corporation, Dr Pavelic Dentistry Professional Corporation), Pinnacle Ridge Capital Group II, LP and 2652714 Ontario Inc. providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower with a First ranking for CDN Accounts Receivable, Machinery and Equipment, Inventory/Warehouse. Additional address to be added: (i) 33 Rothsay Ave, Etobicoke, ON, M8Z 4M2
5. Environmental review and compliance certificate signed by the Borrower to be satisfactory to BMO. One form for each address: (i) 1466 Bathurst St, Unit 204, Toronto, Ontario, M5R 3S3, (ii) 2165 Grosvenor St, #5, Oakville, ON, L6H 7K9
6. Acceptance or waiver of BMO Creditor Life Insurance for eligible facilities to be offered to Mislav Pavelic and Brian Holland. If waived, proof of outside life insurance coverage of minimum \$1 million between Dr. Mislav Pavelic, with assignment of life insurance for amount of minimum \$1,000,000.00
7. Assignment of life insurance to BMO for amount of \$1,000,000.00 can be obtained within 60 days of drawdown for Dr. Mislav Pavelic.
8. Prior claims and statutory deductions declaration signed by Borrower confirming statutory payments are up to date
9. Floating subrogation of shareholder loans signed by the Borrower
10. Confirm disability, professional liability and business interruption insurance for Dr. Mislav Pavelic.
11. Assignment of Fire insurance to be obtained and confirming BMO as 1<sup>st</sup> loss payee. Additional address to be added: (i) 1466 Bathurst St, Unit 204, Toronto, Ontario, M5R 3S3, (ii) 2165 Grosvenor St, #5, Oakville, ON, L6H 7K9
12. Copy of lease to confirm min. 10 years, inclusive of renewal options (to be obtained 60 days after closing) for locations (i) 1500 Bathurst St, Unit 2, Toronto, Ontario, M5R 3S3, (ii) 2165 Grosvenor St, #5, Oakville, ON, L6H 7K9
13. Copy of purchase & sale agreement confirming respective purchase price:
  - (i) Bob Adler Dentistry Professional Corporation for total price of \$1,675,000.00 and with purchase conditions: non-compete / non-solicitation to deliver in separate form and prior claims/stat deductions to be up-to-date and confirmed by solicitor
  - (ii) Mark J. Litvack Dentistry Professional Corporation for total price of \$400,000.00 and with purchase conditions: non-compete / non-solicitation to deliver in separate form and prior claims/stat deductions to

be up-to-date and confirmed by solicitor

(iii) Daniel K. Lee Dentistry Professional Corporation for total price of \$1,750,000.00 and with purchase conditions: non-compete / non-solicitation to deliver in separate form and prior claims/stat deductions to be up-to-date and confirmed by solicitor

14. Solicitor letter of opinion confirming:

- 1) BMO has valid & enforceable 1<sup>st</sup> charge over all assets of the Borrower at all mentioned addresses
- 2) Security has been executed to BMO's satisfaction
- 3) All liens/charges/debts against corporation being acquired are discharged
- 4) Solicitor to review and opinion on the P&S agreement to ensure satisfactory to the Bank including confirmation vendor has paid all prior claims & statutory deductions
- 5) To confirm non-compete / non-solicit agreement for Dr. Bob Adler, Dr. Mark J. Litvack and Dr. Daniel K. Lee in place and acceptable
- 6) To review letter from Sun Life insurance noting subject practice at 2165 Grosvenor St #5, Oakville, ON, L6H 7K9, is to be relisted once practice is sold to Borrower. (Essentially to confirm that Borrower is eligible to receive bill payments covered under Sun Life insurance .)

15. Signed Letter of Agreement

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

**Reporting Requirements:**

<p><b>Annual</b></p>	<p>Reporting Requirement: signed by the borrower and guarantor</p> <ol style="list-style-type: none"><li>1) Accountant prepared (minimum Review Engagement) financial statements of 2th, Inc. &amp; Dr. Mislav Pavelic Dentistry Professional Corporation are to be provided within 120 days of each fiscal year end</li><li>2) Accountant prepared (minimum Notice to Reader) financial statements of Dr Pavelic Dentistry Professional Corporation, accompanied by Corporate Tax Returns &amp; Notice of Assessments showing no taxes owing</li><li>3) Personal income tax returns &amp; Notice of Assessments of the personal guarantors to be provided annually to confirm that personal income taxes are up to date.</li><li>4) Prior claims and statutory declaration certificate to be provided annually</li><li>5) Personal net worth statement of the personal guarantors to be provided annually or as requested by the bank.</li></ol> <p>Any other information that may be requested by the bank from time to time</p>
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A \$50 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the default condition.

Prompt notification of management letters, default notices, litigation, and any other material events  
Satisfactory evidence that all taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

**Representations and Warranties:**

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

**Noteless Advances:**

The Borrower acknowledges that the actual recording of the amount of any advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute *prima facie* evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

**Fees:**

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal and consulting fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$3,500 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. Note: \$2,500 already collected, \$1,000 to be collected at loan drawdown. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$0.00.

All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

**Banking Services:**

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

**Treasury & Payment Solutions:**

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

**Commercial Loan Insurance Plan:**

**You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.**

**Counterparts; Electronic Transmissions:**

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner

shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

**Governing Law:**

Ontario and the federal laws of Canada applicable therein.

**Schedules:**

The following Schedules are attached to and form part of this letter of agreement:

Schedule A – Covenants

Schedule B – Representations and Warranties

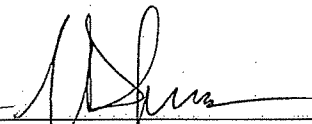
Schedule C – Conditions Precedent to Advances

**BMO's Legal Counsel:** Macdonald Sager Mahis LLP

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its obligations to BMO, any obligation to advance some or all of the above Facilities may be withdrawn or cancelled.

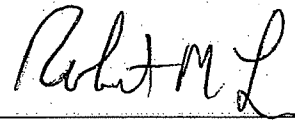
Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than February 28<sup>th</sup>, 2019. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,  
BANK OF MONTREAL

By: 

Name: Ashraf Delwar

Title: Senior Relationship Manager, Business Banking

By: 

Name: Robert W. McLean

Title: Vice President, Business Banking

Accepted and agreed to this 21 day of February, 2019

**BORROWER(S)**

**2TH, INC.**

Signature: Brian Holland Mislav Pavelic  
Name: Brian Holland Mislav Pavelic  
Title: Co-Owner Co-Owner

**GUARANTOR(S)**

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

Signature: Mislav Pavelic Signature: \_\_\_\_\_  
Name: Mislav Pavelic Name: \_\_\_\_\_  
Title: Owner Title: \_\_\_\_\_

**DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

Signature: Mislav Pavelic Signature: \_\_\_\_\_  
Name: Mislav Pavelic Name: \_\_\_\_\_  
Title: Owner Title: \_\_\_\_\_

**Pinnacle Ridge Capital Group II, LP**

Signature: Brian Holland Signature: \_\_\_\_\_  
Name: Brian Holland Name: \_\_\_\_\_  
Title: GP Title: \_\_\_\_\_

**2652714 Ontario Inc.**

Signature: Mislav Pavelic Signature: \_\_\_\_\_  
Name: Mislav Pavelic Name: \_\_\_\_\_  
Title: Owner Title: \_\_\_\_\_

**MISLAV PAVELIC**

Witness: *ditar*

Signature: 

Name: *Danial Dogar*

Name: *Mislav Pavelic*

**BRIAN HOLLAND**

Witness: *ditar*

Signature: *B. Holland*

Name: *Danial Dogar*

Name: *Brian Holland*

SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility
2. Maintenance of corporate existence and status, if applicable
3. Payment of all taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholdings)
4. Compliance with all material laws, regulations and applicable permits or approvals (including health, safety and employment standards, labour codes and environmental laws)
5. Compliance with all material agreements
6. Use of proceeds to be consistent with the approved purpose
7. Notices of death of Borrower or Guarantor, default, material litigation, and regulatory proceedings to be provided to BMO on a timely basis
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies
9. No assumption of additional indebtedness or guarantee obligations by Borrower without prior written consent of BMO
10. No liens or encumbrances on any assets except with the prior written consent of BMO
11. No change of control or ownership of the Borrower without the prior written consent of BMO
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.

SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its obligations hereunder and thereunder
2. It is in compliance with all applicable laws (including environmental laws) and its existing agreements
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a material adverse effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor
6. There is no material litigation pending against it or, to its knowledge, threatened against or affecting it
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required taxes
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration obligations
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business
11. It is not in default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.

SCHEDULE C

CONDITIONS PRECEDENT TO ADVANCES

1. Evidence of corporate (or other) status and authority
2. Completion and registration (as applicable) of all Security (defined herein) and other supporting documents
3. Completion of all facility documentation and account agreements and authorities, as applicable
4. Compliance with all representations and warranties contained herein
5. Compliance with all covenants (financial and non-financial) contained herein
6. No Event of Default (defined herein) shall have occurred and be continuing
7. Compliance with all laws (including environmental)
8. Payment of all fees and expenses
9. Receipt of all necessary material governmental, regulatory and other third party approvals including environmental approvals and certificates
10. Satisfactory due diligence (including, without limitation, anti-money laundering, proceeds of crime and "know your customer" requirements and procedures, environmental and insurance due diligence)
11. Repayment of all existing indebtedness (excluding permitted indebtedness), as applicable.
12. Satisfactory review of material contracts, as applicable
13. Satisfactory review by BMO (or, at BMO's option and the Borrower's expense, an insurance consultant) of insurance policies issued to the Borrower(s) and/or the Guarantor(s) and compliance with any changes required to satisfy BMO's insurance requirements
14. Disclosure of all material contingent obligations
15. Confirmation that no shares of the Borrower held by the principal shareholders have been pledged as security for any financial or other indebtedness
16. Corporate taxes of the Borrower and corporate/personal taxes of the Guarantor(s) are to be confirmed current and up-to-date
17. Satisfactory evidence that all other taxes payable by the Borrower and Guarantor(s) (including, without limitation, GST, HST, sales tax, and withholdings) have been paid to date
18. No material judgments or material legal action initiated against the Borrower and/or any Guarantor(s)
19. Any other document or action which BMO may reasonably require

This is Exhibit "H" referred to in the Affidavit of Michaela Wolf s  
worn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

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*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, wherever incurred and whosoever incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause  
applies to  
the Province  
of Québec  
only

DATED as of February 25, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

**2652714 ONTARIO INC.**  
(Name of Corporation/Entity Guarantor)

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

Name: Mislav Pavelic

Title: President



**Guarantee for Indebtedness of an Incorporated Company**

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

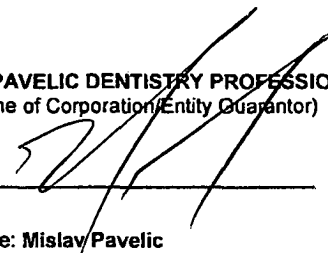
THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 25, 2019.

This clause applies to the Province of Québec only

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
<p>Witness to sign for each individual (i.e. natural person) guarantor who signs.</p> <p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
	<p><b>DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION</b>  (Name of Corporation/Entity Guarantor)</p> <p>By: </p> <p>Name: Mislav Pavelic</p> <p>Title: President</p>

**ENABLING RESOLUTION**

Extract from the minutes of the meeting of the board of directors of **DR PAVELIC**  
**DENTISTRY PROFESSIONAL CORPORATION** at Toronto on this  
25 day of **FEBRUARY, 2019** .

On motion duly made and seconded it was unanimously resolved that: The company does hereby guarantee payment to the Bank Of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the board of directors of the said company held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

Per:   
Name: MISLAV PAVELIC  
Title: PRESIDENT



**Guarantee for Indebtedness of an Incorporated Company**

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

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THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

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This clause  
applies to  
the Province  
of Québec  
only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 25, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

*[Handwritten signature]*

Name: RAJAN LENU

*[Handwritten signature]*

Name: RAJAN LENU

Name: \_\_\_\_\_

Name: \_\_\_\_\_

*[Handwritten signature]*

(Individual Guarantor)

Name: Mislav Pavelic

*[Handwritten signature]*

(Individual Guarantor)

Name: Brian Holland

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Name of Corporation/Entity Guarantor)

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_





**Company Legal Name: 2TH, INC.**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 023242409309800**

**Application ID: 200150085**

**Transaction ID: MOD-300644133**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

**Guarantee for Indebtedness of an Incorporated Company**

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing into the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*; illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 25, 2019.

This clause  
applies to  
the Province  
of Québec  
only

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

(Individual Guarantor)

Name: \_\_\_\_\_

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**  
(Name of Corporation/Entity Guarantor)

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

Name: **Mislav Pavelic**

Title: **President**

**ENABLING RESOLUTION**

Extract from the minutes of the meeting of the board of directors of **DR. MISLAV PAVELIC**  
**DENTISTRY PROFESSIONAL CORPORATION** at Toronto on this  
25 day of **FEBRUARY, 2019**.

On motion duly made and seconded it was unanimously resolved that: The company does hereby guarantee payment to the Bank Of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the board of directors of the said company held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

Per:   
Name: MISLAV PAVELIC  
Title: PRESIDENT



**Guarantee for Indebtedness of an Incorporated Company**

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90 day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90 day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.


THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

DATED as of February 25, 2019.

This clause  
applies to  
the Province  
of Québec  
only

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)	SIGNATURE OF GUARANTOR(S)
<p>Witness to sign for each individual (i.e. natural person) guarantor who signs.</p> <p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
<p>_____</p> <p>Name: _____</p>	<p>_____</p> <p>(Individual Guarantor)</p>
<p>_____</p> <p>Name: _____</p>	<p>Name: _____</p>
	<p><b>PINNACLE RIDGE CAPITAL GROUP, INC. In its capacity as general partner for PINNACLE RIDGE CAPITAL GROUP II, LP</b>  (Name of Corporation/Entity Guarantor)</p> <p>By:  _____</p> <p>Name: <b>Brian Holland</b></p> <p>Title: <b>President</b></p>

**ENABLING RESOLUTION**

Extract from the minutes of the meeting of the partners of **PINNACLE RIDGE CAPITAL GROUP, INC.** at Toronto on this 25 day of **FEBRUARY, 2019**.

On motion duly made and seconded it was unanimously resolved that: The partnership does hereby guarantee payment to the Bank of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the partners of the said partnership held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

**PINNACLE RIDGE CAPITAL GROUP, INC. in its capacity as general partner for PINNACLE RIDGE CAPITAL GROUP II, LP**

Per: BAH  
Name: ~~MISLAV PAVELIC~~ Brian Holland BAH  
Title: **PRESIDENT**



This is Exhibit "I" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Commissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

**SECURITY AGREEMENT**

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

1500 Bathurst Street, Unit 2, Toronto, Ontario M5P 3L3

1466 Bathurst Street, Unit 204, Toronto, Ontario M5R 3S3

2165 Grosvenor Street, Unit 5, Oakville, Ontario L6H 7K9

962 Royal York Road, Toronto, Ontario, M9X 2E7

List all premises  
and asset  
locations, by  
schedule, if  
necessary

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and

Attach a  
schedule, if  
equipment is to  
be listed

(e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;
- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation, perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date  
of execution

25 day of February, 2019. (year)

To be signed by  
debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
debtor is a corporation  
with a corporate seal,  
fix Corporate Seal;  
debtor's name should  
be typed.

**2TH, INC.**

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

Name: Mislav Pavelic

Title: Secretary

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

Name: Brian Holland

Title: President

We have the authority to bind the Corporation.

## CORPORATE AUTHORIZING RESOLUTION

Required  
only for a  
corporation

"WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

### NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement."

CERTIFICATE

To be completed  
by Secretary or  
other authorized  
officer; insert  
name of  
\_\_\_\_\_  
Insert  
appropriate  
date

I am the Secretary of 2TH, INC. and I hereby certify that:

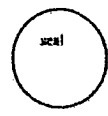
1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the 25 day of February, 2019;(year)
2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and
3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

Use  
applicable  
clause

(or where applicable, the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*.)

To be  
signed by  
Secretary or  
other  
authorized  
officer; affix  
corporate  
seal

By: \_\_\_\_\_  
Name: Mislav Pavelic  
Title: Secretary



© Registered trade-marks of Bank of Montreal



## SECURITY AGREEMENT

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

33 ROTHSAY AVENUE, ETOBICOKE, ON, M8Z 4M2

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and
- (e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

List all premises  
and asset  
locations, by  
schedule if

Attach a  
schedule, if  
equipment is to  
be listed

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained

herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;

- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation,

perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date  
of execution

24 day of September, 2018. (year)

To be signed by  
Debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
Debtor is a corporation  
with a corporate seal,  
affix Corporate Seal;  
Debtor's name should  
be typed.

2652714 ONTARIO INC.

Per:   
Name: MISLAV PAVELIC  
Title: PRESIDENT

I have authority to bind the Corporation

## CORPORATE AUTHORIZING RESOLUTION

"WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

### NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement."

CERTIFICATE

I am the PRESIDENT of 2652714 ONTARIO INC., and I hereby certify that:

To be completed  
by Secretary or  
other authorized  
officer; insert  
name of  
-----  
Insert  
appropriate  
date

1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the 26 day of September, 2018;
2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and
3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

Use  
applicable  
clause


(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*.)

To be  
signed by  
Secretary or  
other  
authorized  
officer; affix  
corporate  
seal

By:

Name: MISLAV PAVELIC

Title: PRESIDENT



C.S

® Registered trade-marks of Bank of Montreal

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause applies to the Province of Québec only

DATED as of February 25, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

**2652714 ONTARIO INC.**  
(Name of Corporation/Entity Guarantor)

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

Name: **Mislav Pavelic**

Title: **President**

## ENABLING RESOLUTION

Extract from the minutes of the meeting of the board of directors of **2652714 ONTARIO INC.**

at **TORONTO** on this 25 day of **FEBRUARY, 2019**.

On motion duly made and seconded it was unanimously resolved that: The company does hereby guarantee payment to the Bank Of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the board of directors of the said company held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

Per:   
Name: **MISLAV PAVELIC**  
Title: **PRESIDENT**



**SECURITY AGREEMENT**

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, ~~absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations")~~. This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

25 The West Mall, Suite 253, Etobicoke, Ontario, M9C 1B8

33 Rothsay Avenue, Etobicoke, Ontario, M8Z 4M2

List all premises and asset locations, by schedule, if necessary

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and

Attach a schedule, if equipment is to be listed

(e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;
- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation, perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date  
of execution

25 day of February, 2019. (year)

to be signed by  
Debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
Debtor is a corporation  
with a corporate seal,  
fix Corporate Seal;  
Debtor's name should  
be typed.

**DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: 

Name: Mislav Pavelic

Title: President

I have the authority to bind the Corporation.

## CORPORATE AUTHORIZING RESOLUTION

Required  
only for a  
corporation

"WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

### NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement."

CERTIFICATE

To be completed by Secretary or other authorized officer; insert name of corporation.

I am the President of DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION and I hereby certify that:

Insert appropriate date

1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the 25 day of February, 2019,(year)

2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and

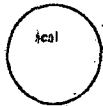
Use applicable clause

3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*.)

To be signed by Secretary or other authorized officer; affix corporate seal

By: [Signature]  
Name: Mislav Pavelic  
Title: President



® Registered trade-marks of Bank of Montreal



## SECURITY AGREEMENT

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

33 ROTHSAY AVENUE, ETOBICOKE, ON, M8Z 4M2

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and
- (e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

List all premises and asset locations, by schedule if Attach a schedule, if equipment is to be listed

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained

herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;

- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation,

perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

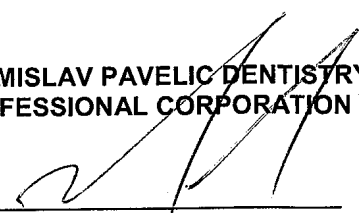
IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date  
of execution

16 day of September, 2018. (year)

To be signed by  
Debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
Debtor is a corporation  
with a corporate seal,  
affix Corporate Seal;  
Debtor's name should  
be typed.

**DR. MISLAV PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION**

Per:   
Name: MISLAV PAVELIC  
Title: PRESIDENT  
I have authority to bind the Corporation

## CORPORATE AUTHORIZING RESOLUTION

“WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

### **NOW THEREFORE BE IT RESOLVED THAT:**

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement.”

CERTIFICATE

To be completed  
by Secretary or  
other authorized  
officer; insert  
name of  
corporation

I am the PRESIDENT of DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION, and I hereby certify that:

Insert  
appropriate  
date

1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the 26 day of September, 2018;

2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and

Use  
applicable  
clause

3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

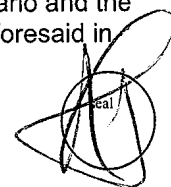
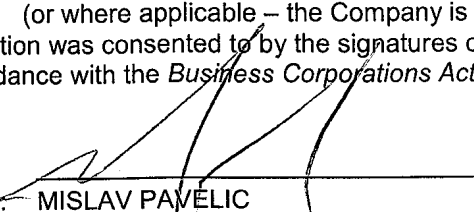
(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*).

To be  
signed by  
Secretary or  
other  
authorized  
officer; affix  
corporate  
seal

By:

Name: MISLAV PAVELIC

Title: PRESIDENT



C.S

® Registered trade-marks of Bank of Montreal

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **2TH, INC.** (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in any form incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*; illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank..

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause applies to the Province of Québec only

DATED as of February 25, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**  
(Name of Corporation/Entity Guarantor)

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

Name: Mislav Pavelic

Title: President

**ENABLING RESOLUTION**

Extract from the minutes of the meeting of the board of directors of **DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION** at **TORONTO** on this 25 day of **FEBRUARY, 2019**.

On motion duly made and seconded it was unanimously resolved that: The company does hereby guarantee payment to the Bank Of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the board of directors of the said company held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

Per:   
Name: **MISLAV PAVELIC**  
Title: **PRESIDENT**



**SECURITY AGREEMENT**

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

16 YONGE STREET, SUITE 4002, TORONTO, ON, M5E 2A1

List all premises and asset locations, by schedule if Attach a schedule, if equipment is to be listed

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and
- (e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained

herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;

- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation,

perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.

13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.

14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.

17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

19. The Debtor acknowledges receipt of a copy of this agreement.

20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.


IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on

Insert date  
of execution

24 day of September, 2018. (year)

To be signed by  
Debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
Debtor is a corporation  
with a corporate seal,  
affix Corporate Seal;  
Debtor's name should  
be typed.

**PINNACLE RIDGE CAPITAL GROUP, INC. IN ITS  
CAPACITY AS GENERAL PARTNER FOR PINNACLE  
RIDGE CAPITAL GROUP II, LP**

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

Name: BRIAN HOLLAND

Title: PRESIDENT

I have authority to bind the Corporation

## CORPORATE AUTHORIZING RESOLUTION

Required  
only for a  
corporation

"WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

### NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement."

CERTIFICATE

To be completed  
by Secretary or  
other authorized  
officer; insert  
name of  
corporation  
Insert  
appropriate  
date

I am the PRESIDENT of PINNACLE RIDGE CAPITAL GROUP, INC., and I hereby certify that:

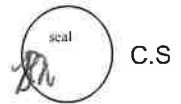
1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the 26 day of September, 2018;
2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and
3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

Use  
applicable  
clause

(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*.)

To be  
signed by  
Secretary or  
other  
authorized  
officer; affix  
corporate  
seal

By:   
Name: BRIAN HOLLAND  
Title: PRESIDENT



® Registered trade-marks of Bank of Montreal

Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with 2TH, INC. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **SIX MILLION FOUR HUNDRED NINETY FIVE THOUSAND Dollars (\$6,495,000.00)** plus interest thereon at a rate of **THREE (3.0%)** per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee,

shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of Ontario and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause  
applies to  
the Province  
of Québec  
only

DATED as of February 25, 2019.

WITNESS(ES) TO SIGNATURES OF INDIVIDUAL(S)

SIGNATURE OF GUARANTOR(S)

Witness to sign for each individual (i.e. natural person) guarantor who signs.

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

\_\_\_\_\_  
(Individual Guarantor)

Name: \_\_\_\_\_

**PINNACLE RIDGE CAPITAL GROUP, INC. in its capacity as general partner for PINNACLE RIDGE CAPITAL GROUP II, LP**  
(Name of Corporation/Entity Guarantor)

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

Name: **Brian Holland**

Title: **President**

**ENABLING RESOLUTION**

Extract from the minutes of the meeting of the partners of **PINNACLE RIDGE CAPITAL GROUP, INC.** at **TORONTO** on this 25 day of **FEBRUARY, 2019**.

On motion duly made and seconded it was unanimously resolved that: The partnership does hereby guarantee payment to the Bank of Montreal of all present and future debts and liabilities now or at any time and from time to time due or owing to said Bank by **2TH, INC.** up to a limit of **\$6,495,000.00** at any one time, the whole in the terms set out in form LF44 of the Bank Of Montreal submitted to this meeting, and that the undersigned be and are hereby authorized to sign and execute such form and deliver the same to the Bank of Montreal.

I certify that the foregoing is a true copy of a resolution passed at a meeting of the partners of the said partnership held as aforementioned.

As witness the corporate seal of the said company this 25 day of **FEBRUARY, 2019**.

**PINNACLE RIDGE CAPITAL GROUP, INC. in its capacity as general partner for PINNACLE RIDGE CAPITAL GROUP II, LP**

Per:

Name:

Title:

*BAK*  
~~MISLAV PAVELIC~~ *Brian Holland BAK*

PRESIDENT



This is Exhibit “J” referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:44:27  
 ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 9  
 FILE CURRENCY : 01NOV 2022  
 SEARCH : BD : 2652714 ONTARIO INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
 01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :  
 REG NUM : 20180928 1009 1862 3107 REG TYP: P PPSA REG PERIOD: 7  
 02 IND DOB : IND NAME:  
 03 BUS NAME: 10981893 CANADA INC.

OCN :

04 ADDRESS : 962 ROYAL YORK ROAD  
 CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7  
 05 IND DOB : IND NAME:

06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION

OCN :

07 ADDRESS : 33 ROTHSAV AVENUE  
 CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2

08 SECURED PARTY/LIEN CLAIMANT :  
 BANK OF MONTREAL

09 ADDRESS : 100 KING STREET WEST  
 CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A3  
 CONS. MV DATE OF OR NO FIXED  
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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

11

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

16 AGENT: CYBERBAHN

17 ADDRESS : 400-333 BAY STREET  
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:44:30  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 2 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: PINNACLE RIDGE CAPITAL GROUP INC. OCN :

04 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
05 IND DOB : IND NAME:  
06 BUS NAME: PINNACLE RIDGE CAPITAL GROUP II, LP OCN :

07 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

11  
12  
GENERAL COLLATERAL DESCRIPTION

13  
14  
15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:44:33  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 3 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 003 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: 2652714 ONTARIO INC.

OCN :  
04 ADDRESS : 33 ROTHSAY AVENUE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2

05 IND DOB : IND NAME:  
06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION  
OCN :

07 ADDRESS : 2-1500 BATHURST STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5P 3L3

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:37  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 4 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:  
26 REASON: TO AMEND THE BUSINESS NAME PINNACLE RIDGE CAPITAL GROUP INC. TO  
27 /DESCR: PINNACLE RIDGE CAPITAL GROUP, INC. AND TO ADD THE BUSINESS DEBTOR  
28 : ST.CLAIR AND BATHURST DENTAL CARE WITH THE ADDRESS 2-1500 BATHURST  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #182933 SB/AD)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:40  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 5 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: STREET, TORONTO, ON, M5P 3L3  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :



PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:44  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 6 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE

01 CAUTION : 001 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL COR  
PORATION  
25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED AS  
28 : WELL AS THE BUSINESS ADDRESSES 1466 BATHURST STREET, SUITE 204,  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #183769 SB/KF)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:49  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 7 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:

26 REASON: TORONTO, ON, M5R 3S3 AND THE ADDRESS 2165 GROSVENOR STREET,  
27 /DESCR: OAKVILLE, ON, L6H 7K9, TO ADD THE BUSINESS DEBTOR DR PAVELIC  
28 : DENTISTRY PROFESSIONAL CORPORATION AND THE ADDRESS OF 25 THE WEST  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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17 ADDRESS :  
CITY : PROV : POSTAL CODE :



PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:53  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 8 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 003 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: MALL, SUITE 253, ETOBICOKE, ONTARIO, M9C 1B8  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:58  
ACCOUNT : 009233-0001 FAMILY : 1 OF 1 ENQUIRY PAGE : 9 OF 9  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : 2652714 ONTARIO INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 001 MV SCHED: 20190801 1226 1862 4886  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED.  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE: 2TH, INC.

OCN:

04/07 ADDRESS: 962 ROYAL YORK ROAD  
CITY: TORONTO PROV: ON POSTAL CODE: M8X 2E7  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CYBERBAHN  
17 ADDRESS : 400-333 BAY STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 2R2

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END OF REPORT



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:29  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 3  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION

00 FILE NUMBER : 753260319 EXPIRY DATE : 11JUL 2024 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20190711 1429 1862 3403 REG TYP: P PPSA REG PERIOD: 5  
02 IND DOB : IND NAME:  
03 BUS NAME: DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION

OCN :  
04 ADDRESS : 25 THE WEST MALL, SUITE 253  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M9C 1B8  
05 IND DOB : IND NAME:  
06 BUS NAME:

OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
BANK OF MONTREAL

09 ADDRESS : 100 KING STREET WEST  
CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A3  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MACDONALD SAGER MANIS LLP (FILE #183769 SB/KF)

17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3S5

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:33  
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 2 OF 3  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION

00 FILE NUMBER : 778887054 EXPIRY DATE : 08DEC 2025 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20211208 1556 1532 0593 REG TYP: P PPSA REG PERIOD: 04  
02 IND DOB : IND NAME:  
03 BUS NAME: DR PAVELIC DENTISTRY PROFESSIONAL CORP

OCN :  
04 ADDRESS : 302-190 SHERWAY DRIVE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M9C5N2  
05 IND DOB : 19NOV1964 IND NAME: MISLAV PAVELIC  
06 BUS NAME:

OCN :  
07 ADDRESS : 33 ROTHSAWAY AVE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z4M2  
08 SECURED PARTY/LIEN CLAIMANT :

CANADIAN DEALER LEASE SERVICES INC.  
09 ADDRESS : 372 BAY STREET, SUITE 1800  
CITY : TORONTO PROV: ON POSTAL CODE: M5H2W9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.  
11 2022 JAGUAR F-TYPE SAJD81EE8NCK77443

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GENERAL COLLATERAL DESCRIPTION  
13 OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE  
14 AND THE PROCEEDS OF THOSE VEHICLES  
15  
16 AGENT: D + H LIMITED PARTNERSHIP  
17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FLOOR  
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4Z 1H8

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:36  
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 3  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : DR PAVELIC DENTISTRY PROFESSIONAL CORPORATION

00 FILE NUMBER : 778887054 EXPIRY DATE : 08DEC 2025 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20211208 1556 1532 0593 REG TYP: REG PERIOD:  
02 IND DOB : 19NOV1964 IND NAME: MISLAV S PAVELIC  
03 BUS NAME:

OCN :

04 ADDRESS : 33 ROTHSAY AVE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z4M2  
05 IND DOB : 19NOV1964 IND NAME: MISLAY S PAVELIC  
06 BUS NAME:

OCN :

07 ADDRESS : 33 ROTHSAY AVE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z4M2

08 SECURED PARTY/LIEN CLAIMANT :

BANK OF NOVA SCOTIA - DLAC

09 ADDRESS : 44 KING STREET W, SCOTIA PLAZA  
CITY : TORONTO PROV: ON POSTAL CODE: M5H1H1  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :

CITY : PROV: POSTAL CODE:

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**END OF REPORT**



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:47  
 ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 10  
 FILE CURRENCY : 01NOV 2022  
 SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
 01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :  
 REG NUM : 20180928 1009 1862 3107 REG TYP: P PPSA REG PERIOD: 7  
 02 IND DOB : IND NAME:  
 03 BUS NAME: 10981893 CANADA INC.

OCN :  
 04 ADDRESS : 962 ROYAL YORK ROAD  
 CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7

05 IND DOB : IND NAME:  
 06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION  
 OCN :

07 ADDRESS : 33 ROTHSAY AVENUE  
 CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2

08 SECURED PARTY/LIEN CLAIMANT :  
 BANK OF MONTREAL

09 ADDRESS : 100 KING STREET WEST  
 CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A3  
 CONS. MV DATE OF OR NO FIXED  
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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YEAR MAKE						MODEL		V.I.N.	

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 GENERAL COLLATERAL DESCRIPTION

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 16 AGENT: CYBERBAHN  
 17 ADDRESS : 400-333 BAY STREET  
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:50  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: PINNACLE RIDGE CAPITAL GROUP INC. OCN :

04 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
05 IND DOB : IND NAME:  
06 BUS NAME: PINNACLE RIDGE CAPITAL GROUP II, LP OCN :

07 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:43:53  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 3 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 003 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: 2652714 ONTARIO INC. OCN :

04 ADDRESS : 33 ROTHSAY AVENUE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2

05 IND DOB : IND NAME:  
06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION  
OCN :

07 ADDRESS : 2-1500 BATHURST STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5P 3L3

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:43:57  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 4 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:

26 REASON: TO AMEND THE BUSINESS NAME PINNACLE RIDGE CAPITAL GROUP INC. TO  
27 /DESCR: PINNACLE RIDGE CAPITAL GROUP, INC. AND TO ADD THE BUSINESS DEBTOR  
28 : ST.CLAIR AND BATHURST DENTAL CARE WITH THE ADDRESS 2-1500 BATHURST  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #182933 SB/AD)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:00  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 5 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: STREET, TORONTO, ON, M5P 3L3  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

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CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:03  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 6 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE

01 CAUTION : 001 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL COR  
PORATION  
25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED AS  
28 : WELL AS THE BUSINESS ADDRESSES 1466 BATHURST STREET, SUITE 204,  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #183769 SB/KF)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:06  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 7 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: TORONTO, ON, M5R 3S3 AND THE ADDRESS 2165 GROSVENOR STREET,  
27 /DESCR: OAKVILLE, ON, L6H 7K9, TO ADD THE BUSINESS DEBTOR DR PAVELIC  
28 : DENTISTRY PROFESSIONAL CORPORATION AND THE ADDRESS OF 25 THE WEST  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :



PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:09  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 8 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 003 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: MALL, SUITE 253, ETOBICOKE, ONTARIO, M9C 1B8  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
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CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:44:13  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 9 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 001 MV SCHED: 20190801 1226 1862 4886  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED.  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE: 2TH, INC.

OCN:

04/07 ADDRESS: 962 ROYAL YORK ROAD  
CITY: TORONTO PROV: ON POSTAL CODE: M8X 2E7  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CYBERBAHN  
17 ADDRESS : 400-333 BAY STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 2R2

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:44:16  
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 10 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP II, LP

00 FILE NUMBER : 764115003 EXPIRY DATE : 27JUL 2027 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20200727 1759 1862 8213 REG TYP: P PPSA REG PERIOD: 7  
02 IND DOB : IND NAME:  
03 BUS NAME: PINNACLE RIDGE CAPITAL GROUP II, LP

OCN :

04 ADDRESS : 962 ROYAL YORK ROAD  
CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7  
05 IND DOB : IND NAME:  
06 BUS NAME: PINNACLE RIDGE CAPITAL GROUP, INC.

OCN :

07 ADDRESS : 962 ROYAL YORK ROAD  
CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7

08 SECURED PARTY/LIEN CLAIMANT :  
THE TORONTO-DOMINION BANK

09 ADDRESS : 2 ST. CLAIR AVENUE EAST, 5TH FLOOR  
CITY : TORONTO PROV: ON POSTAL CODE: M4T 2T5  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MILLER THOMSON LLP

17 ADDRESS : 40 KING STREET WEST, SUITE 5800  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3S1

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**END OF REPORT**



PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
 CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:45:43  
 ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 10  
 FILE CURRENCY : 01NOV 2022  
 SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
 01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :  
 REG NUM : 20180928 1009 1862 3107 REG TYP: P PPSA REG PERIOD: 7  
 02 IND DOB : IND NAME:  
 03 BUS NAME: 10981893 CANADA INC.

OCN :  
 04 ADDRESS : 962 ROYAL YORK ROAD  
 CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7  
 05 IND DOB : IND NAME:  
 06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION

OCN :  
 07 ADDRESS : 33 ROTHSAY AVENUE  
 CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2  
 08 SECURED PARTY/LIEN CLAIMANT :  
 BANK OF MONTREAL

09 ADDRESS : 100 KING STREET WEST  
 CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A3  
 CONS. MV DATE OF OR NO FIXED  
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
 10 X X X X X  
 YEAR MAKE MODEL V.I.N.

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 GENERAL COLLATERAL DESCRIPTION

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 16 AGENT: CYBERBAHN  
 17 ADDRESS : 400-333 BAY STREET  
 CITY : TORONTO PROV: ON POSTAL CODE: M5H 2R2

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:45:46  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: PINNACLE RIDGE CAPITAL GROUP INC. OCN :

04 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
05 IND DOB : IND NAME:  
06 BUS NAME: PINNACLE RIDGE CAPITAL GROUP II, LP OCN :

07 ADDRESS : 4002-16 YONGE STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5E 2A1  
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:45:49  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 3 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

00 FILE NUMBER : 744238566 EXPIRY DATE : 28SEP 2025 STATUS :  
01 CAUTION FILING : PAGE : 003 OF 003 MV SCHEDULE ATTACHED :  
REG NUM : 20180928 1009 1862 3107 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: 2652714 ONTARIO INC. OCN :

04 ADDRESS : 33 ROTHSAY AVENUE  
CITY : ETOBICOKE PROV: ON POSTAL CODE: M8Z 4M2

05 IND DOB : IND NAME:  
06 BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION  
OCN :

07 ADDRESS : 2-1500 BATHURST STREET  
CITY : TORONTO PROV: ON POSTAL CODE: M5P 3L3

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :  
CITY : PROV: POSTAL CODE:  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:45:52  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 4 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:

26 REASON: TO AMEND THE BUSINESS NAME PINNACLE RIDGE CAPITAL GROUP INC. TO  
27 /DESCR: PINNACLE RIDGE CAPITAL GROUP, INC. AND TO ADD THE BUSINESS DEBTOR  
28 : ST.CLAIR AND BATHURST DENTAL CARE WITH THE ADDRESS 2-1500 BATHURST  
02/05 IND/TRANSFEREE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #182933 SB/AD)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:45:55  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 5 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 002 MV SCHED: 20180928 1511 1862 3204  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: STREET, TORONTO, ON, M5P 3L3  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :



PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:45:57  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 6 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE

01 CAUTION : 001 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL COR  
PORATION  
25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED AS  
28 : WELL AS THE BUSINESS ADDRESSES 1466 BATHURST STREET, SUITE 204,  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : MACDONALD SAGER MANIS LLP (FILE #183769 SB/KF)  
17 ADDRESS : 800-150 YORK STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 3S5

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:46:00  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 7 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 002 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:

26 REASON: TORONTO, ON, M5R 3S3 AND THE ADDRESS 2165 GROSVENOR STREET,  
27 /DESCR: OAKVILLE, ON, L6H 7K9, TO ADD THE BUSINESS DEBTOR DR PAVELIC  
28 : DENTISTRY PROFESSIONAL CORPORATION AND THE ADDRESS OF 25 THE WEST  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :



PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:46:03  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 8 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 003 OF 003 MV SCHED: 20190327 1501 1862 5663  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
26 REASON: MALL, SUITE 253, ETOBICOKE, ONTARIO, M9C 1B8  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME :  
17 ADDRESS :  
CITY : PROV : POSTAL CODE :

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PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 2C REGISTRATION - SCREEN 1 12:46:06  
ACCOUNT : 009233-0001 FAMILY : 1 OF 2 ENQUIRY PAGE : 9 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

FILE NUMBER 744238566

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 001 OF 001 MV SCHED: 20190801 1226 1862 4886  
21 REFERENCE FILE NUMBER : 744238566  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: 10981893 CANADA INC.

25 OTHER CHANGE:  
26 REASON: TO AMEND THE NAME OF THE BUSINESS DEBTOR 10981893 CANADA INC. TO  
27 /DESCR: 2TH, INC. PURSUANT TO THE AMENDMENT OF THE CORPORATE NAME FILED.  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE: 2TH, INC.

OCN:

04/07 ADDRESS: 962 ROYAL YORK ROAD  
CITY: TORONTO PROV: ON POSTAL CODE: M8X 2E7  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CYBERBAHN  
17 ADDRESS : 400-333 BAY STREET  
CITY : TORONTO PROV : ON POSTAL CODE : M5H 2R2

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PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 11/02/2022  
CCCL369 DISPLAY 1C REGISTRATION - SCREEN 1 12:46:08  
ACCOUNT : 009233-0001 FAMILY : 2 OF 2 ENQUIRY PAGE : 10 OF 10  
FILE CURRENCY : 01NOV 2022  
SEARCH : BD : PINNACLE RIDGE CAPITAL GROUP, INC.

00 FILE NUMBER : 764115003 EXPIRY DATE : 27JUL 2027 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20200727 1759 1862 8213 REG TYP: P PPSA REG PERIOD: 7  
02 IND DOB : IND NAME:  
03 BUS NAME: PINNACLE RIDGE CAPITAL GROUP II, LP

OCN :

04 ADDRESS : 962 ROYAL YORK ROAD  
CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7  
05 IND DOB : IND NAME:  
06 BUS NAME: PINNACLE RIDGE CAPITAL GROUP, INC.

OCN :

07 ADDRESS : 962 ROYAL YORK ROAD  
CITY : TORONTO PROV: ON POSTAL CODE: M8X 2E7

08 SECURED PARTY/LIEN CLAIMANT :  
THE TORONTO-DOMINION BANK

09 ADDRESS : 2 ST. CLAIR AVENUE EAST, 5TH FLOOR  
CITY : TORONTO PROV: ON POSTAL CODE: M4T 2T5  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: MILLER THOMSON LLP  
17 ADDRESS : 40 KING STREET WEST, SUITE 5800  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 3S1

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**END OF REPORT**

This is Exhibit "K" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.

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

---

*Calvin Peter Horsten, a*

*Commissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

November 9, 2022

2th, Inc.  
962 Royal York Road  
Toronto, ON M8X 2E7

**Attention: Mr. Mislav Pavelic and Mr. Brian Holland**

Dear Sirs

**RE: Indebtedness of 2th, Inc. (the “Borrower”) to Bank of Montreal (“BMO”)**

Reference is made to the Letter of Agreement dated February 20, 2019 between BMO, as lender, and the Borrower, as borrower (as amended from time to time, the "**Credit Agreement**"), as guaranteed by each of Dr. Mislav Pavelic, Mr. Brian Holland, Dr. Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP and 2652714 Ontario Inc. (the "**Guarantors**" and, together with the Borrower, the "**Credit Parties**"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Credit Agreement.

Pursuant to the Credit Agreement and the documentation executed in connection therewith, BMO extended certain credit facilities to the Borrower, and the Credit Parties granted certain guarantees and security to BMO to secure the Borrower's debts and obligations (collectively, the "**Security**"). Certain of the credit facilities are repayable on demand.

One or more Events of Default have occurred, and/or are continuing, under the Credit Agreement, including, but in no way limited to, the Borrower:

- a) failing to maintain the required Debt Service Coverage ratio of greater than or equal to 1.25:1; and
- b) failing to comply with its reporting requirements prescribed in the Credit Agreement,

(the "**Existing Defaults**").

BMO will not tolerate these or any other breach of the Credit Agreement, and reserves all of its rights regarding same.

As a result of any and all known and unknown defaults, as the case may be, including the Existing Defaults, BMO has the right to demand the immediate repayment of all of the liabilities, obligations and indebtedness owing under the Credit Agreement (collectively, the "**Obligations**"), and to pursue its rights and remedies against the Credit Parties, including, without limitation, to enforce its rights against the Security.

Furthermore, the Borrower is required to reimburse BMO for all reasonable expenses, including, without limitation, actual legal and other professional expenses that BMO has incurred or will incur arising out of its dealings with any of the Borrower per the terms of the Credit Agreement. BMO has incurred out of pocket fees and expenses, which amounts remain unpaid by the Borrower and continue to accrue.

As of November 6, 2022, the total outstanding amount owing by the Borrower under the credit facilities is \$4,744,634.15<sup>1</sup>, which is comprised of the following, which all form part of the Obligations:

<b>Account</b>		<b>Principal:</b>	<b>Interest:</b>	<b>Total:</b>
OVERDRAFT C/A 0002-1760-447	LENDING	\$464,737.84	\$461.59	\$465,199.43
DEMAND REVOLVING 0002-6929-643	LOAN-NON-	\$1,287,268.50	\$1,259.05	\$1,288,527.55
DEMAND REVOLVING 0002-6929-950	LOAN-NON-	\$1,328,703.80	\$1,299.58	\$1,330,003.38
DEMAND REVOLVING 0002-6930-089	LOAN-NON-	\$303,703.80	\$297.05	\$304,000.85
DEMAND REVOLVING 0002-6931-655	LOAN-NON-	\$1,314,814.92	\$1,286.00	\$1,316,100.92
CAD Corporate M/C ID 7728- 8030272		\$40,709.52	N/A	\$40,709.52
	<b>Total:</b>	<b>\$4,740,030.88</b>	<b>\$4,603.27</b>	<b>\$4,744,634.15</b>

Notwithstanding the foregoing, BMO has agreed not to demand the immediate repayment of all of the liabilities, obligations and indebtedness owing under the Credit Agreement or enforce its rights and remedies at this time, which BMO is entitled to do.

Nevertheless, BMO wishes to inform you that it is no longer prepared to continue its lending relationship with the Borrower or provide any other financial accommodations and, accordingly, requires that the Borrower make immediate arrangements to refinance and/or repay BMO in full by no later than **Friday, December 9, 2022** (the “**Repayment Date**”). In the meantime, BMO will not tolerate the incursion of any overages or overdrafts in the overdraft lending account, and will return any transactions that exceed permitted credit limits without notification to the customer.

Please be advised that this decision by BMO not to immediately enforce its rights and remedies at this time shall in no way constitute a waiver of any current or known defaults or any additional or subsequent Events of Default under the Credit Agreement or otherwise, and BMO hereby expressly reserves any and all of its rights and remedies under the Credit Agreement and related the security and any and all documents and agreements ancillary thereto, including, without limitation, the right to appoint a receiver as circumstances warrant.

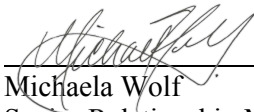
Failing repayment by the Credit Parties of the amounts owed to BMO on or before the Repayment Date, BMO will have little option but to proceed to take enforcement steps in order recover amounts owed to it.

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<sup>1</sup>This amount does not include any accruing interest or costs and expenses (including, without limitation, any legal and other professional fees) incurred by BMO.

Should you have any questions with respect to the foregoing, please feel free to contact the undersigned.

Yours Truly  
**Bank of Montreal**

Per:   
Name: Michaela Wolf  
Title: Senior Relationship Manager

cc. Kyle Plunkett and Matilda Lici, Aird & Berlis LLP (Counsel to BMO)  
[kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com); [mlici@airdberlis.com](mailto:mlici@airdberlis.com)

Rajah Lehal (Counsel to the Borrower)  
[rlehal@cobaltcounsel.com](mailto:rlehal@cobaltcounsel.com)

50919024.4

This is Exhibit "L" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.



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*Calvin Peter Horsten, a*

*Commissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

## FORBEARANCE AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is made as of this 23 day of December, 2022.

### AMONGST:

#### BANK OF MONTREAL

(hereinafter referred to as the “**Lender**”)

- and -

#### 2TH, INC.

(hereinafter referred to as the “**Borrower**”)

- and -

**DR. MISLAV PAVELIC (“Pavelic”), MR. BRIAN HOLLAND (“Holland”), DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION (“DPC”), DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION (“Pavelic DPC”), PINNACLE RIDGE CAPITAL GROUP II, LP (“Pinnacle”) and 2652714 ONTARIO INC. (“265”)**

(hereinafter referred to collectively as the “**Guarantors**” and, together with the Borrower, the “**Credit Parties**” and each of the Borrower, DPC, Pavelic DPC and Pinnacle, shall be collectively referred to as the “**Corporate Credit Parties**”)

### RECITALS:

**WHEREAS** the Borrower is indebted to the Lender with respect to certain loans (collectively, the “**Credit Facilities**”) made available by the Lender to the Borrower pursuant to the terms of the letter of agreement entered into between the Lender and the Credit Parties dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Credit Agreement**”);

**AND WHEREAS** the Borrower’s obligations to the Lender have been guaranteed by the Guarantors pursuant to, amongst other things, the terms of the guarantee agreements more particularly set out in **Schedule “A”** hereto (the “**Guarantees**”);

**AND WHEREAS** to secure the Credit Parties’ obligations to the Lender, including, without limitation, those arising under the Credit Agreement and the Guarantees, the Credit Parties and certain other parties have provided security in favour of the Lender, including, without limitation, the security set out in **Schedule “B”** hereto (collectively, the “**Security**”);

**AND WHEREAS** certain events of default have occurred, and/or are continuing, pursuant to the Credit Agreement, including, without limitation, (i) the failure by the Borrower to maintain

the Debt Service Coverage ratio of greater than or equal to 1.25:1.00; and (ii) the failure by the Borrowers to comply with its reporting requirements prescribed in the Credit Agreement (any and all such defaults as may be existing and known to the Lender as of the date hereof, being referred to as the “**Existing Defaults**”);

**AND WHEREAS**, as a result of the Existing Defaults by the Borrower under the Credit Agreement, the Lender delivered to the Borrower a default letter on or about November 9, 2022 (the “**Default Letter**”) setting out the various defaults by the Borrower, none of which were waived, and requesting that the Borrower refinance and/or repay the Lender in full on or before December 9, 2022;

**AND WHEREAS** the Lender expressly reserved all of its rights and remedies under the Credit Agreement and Security;

**AND WHEREAS** the Credit Parties have requested and the Lender has agreed to forbear from taking certain actions under the Credit Agreement, the Guarantees and the Security in connection with the defaults of the Borrower existing to the date hereof, and has agreed to continue to extend the Credit Facilities to the Borrower, all solely on the terms and conditions and subject to the limitations as specified in this Agreement, so that the Borrower has the opportunity to remain in business with a view to repaying the Lender in full on or before the expiry of the Forbearance Period (as defined herein);

**NOW THEREFORE** in consideration of the respective covenants of the parties hereto as herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions and Currency**

In this Agreement, unless the context otherwise requires, all terms defined in the Credit Agreement and not otherwise defined herein shall have the respective meanings ascribed to them in the Credit Agreement. All monetary amounts referred to in this Agreement shall refer to Canadian currency.

### **1.2 Gender and Number**

Words importing the singular include the plural and vice versa and words importing gender include all genders.

### **1.3 Severability**

Each of the provisions contained in this Agreement is distinct and severable, and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement.

## **1.4 Headings**

The division of this Agreement into articles, sections and clauses, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.5 Entire Agreement**

Except for the Financing Agreements (as defined herein) and the additional documents provided for herein, this Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, relating to the subject matter hereof. This Agreement may not be amended or modified except by written consent executed by all the parties. No provision of this Agreement will be deemed waived by any course of conduct unless such waiver is in writing and signed by all the parties, specifically stating that it is intended to modify this Agreement.

## **1.6 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, without regard to any conflicts of law or principles of comity.

## **1.7 Attornment**

Each party hereto irrevocably attorns to the exclusive jurisdiction of the Superior Court of Justice of the Province of Ontario in the City of Toronto for all matters arising out of or in connection with this Agreement.

## **1.8 Conflicts**

If there is any inconsistency or conflict between the terms of this Agreement and the terms of the Credit Agreement, the Guarantees or the Security or any other agreement executed in connection therewith (collectively, the “**Financing Agreements**”), the provisions of this Agreement shall prevail to the extent of the inconsistency, but the foregoing shall not apply to limit or restrict in any way the rights and remedies of the Lender under the Financing Agreements or this Agreement other than as may be specifically contemplated herein.

## **ARTICLE 2 ACKNOWLEDGEMENT AND CONFIRMATION**

### **2.1 Acknowledgement of Obligations**

- (a) The Borrower hereby acknowledges, confirms and agrees that, as of the close of business on December 11, 2022, the Borrower was indebted to the Lender in respect of the Credit Facilities made available pursuant to the Credit Agreement in the aggregate amount of \$4,772,889.99 in principal and interest, exclusive of amounts which may be or become owing for the Lender’s fees, agent costs, professional and

legal fees, accruing interest at the rates set out in the Financing Agreements, costs and any additional borrowings from the date of this Agreement (collectively, the “**Indebtedness**”), as detailed below:

<b>Account</b>	<b>Principal:</b>	<b>Interest:</b>	<b>Total:</b>
OVERDRAFT LENDING C/A 0002-1760-447	\$491,871.39	\$925.66	\$492,797.05
DEMAND LOAN-NON- REVOLVING 0002-6929-643	\$1,271,759.24	\$2,350.14	\$1,274,109.38
DEMAND LOAN-NON- REVOLVING 0002-6929-950	\$1,312,500.10	\$2,425.43	\$1,314,925.53
DEMAND LOAN-NON- REVOLVING 0002-6930-089	\$300,000.10	\$554.39	\$300,554.49
DEMAND LOAN-NON- REVOLVING 0002-6931-655	\$1,296,296.40	\$2,395.48	\$1,298,691.88
CAD Corporate M/C ID 7728- 8030272 LIMIT \$120,000 # 5264-5500-0003-6917	\$29,719.16	NA	\$29,719.16
ODL FEE	\$70.00		
PLAN / FEES	\$22.50		
Admin Fees	\$2,000.00		
CEBA Loan # 5112-4200-0132-6036	\$60,000.00 <sup>1</sup>		
<b>TOTAL</b>	<b>\$4,764,238.89</b>	<b>\$8,651.10</b>	<b>\$4,772,889.99</b>

- (b) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Indebtedness, together with interest accrued and accruing thereon, and fees, costs, expenses and other charges now or hereafter properly payable by the Borrower to the Lender under the Financing Agreements, is unconditionally owing by the Borrower to the Lender, without any right of setoff, defence, counterclaim or reduction of any kind, nature or description whatsoever, and the Borrower is estopped from disputing such Indebtedness.
- (c) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Credit Parties will continue to accept statements of the Indebtedness issued by the Lender to be accurate statements of the amount and the particulars of the Indebtedness as of the date of the statement, absent manifest error;

<sup>1</sup> Under CEBA, if principal is repaid by December 31, 2023, the CEBA loan will be reduced to \$40,000.00 to account for the loan forgiveness portion.

## 2.2 Acknowledgement of Security Interests and Guarantees

- (a) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Security, as applicable, has not been discharged, waived or varied, that it is binding upon the Credit Parties, as applicable, and that it is enforceable in accordance with its written terms until the obligations of the Credit Parties to the Lender have been indefeasibly paid and satisfied in full.
- (b) Each of the Guarantors hereby acknowledges, confirms and agrees that the Guarantees are and shall continue to be in full force and effect and are valid, binding and enforceable upon the Guarantors until the obligations of the Credit Parties to the Lender have been indefeasibly paid and satisfied in full, and that neither the execution of this Agreement nor any change to the Indebtedness occasioned hereby, or any other matter arising herefrom, shall in any way affect the continuing effectiveness or validity of the Guarantees.

## 2.3 Acknowledgement of Certain Events of Default

- (a) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Existing Defaults have occurred and is continuing pursuant to the provisions of the Financing Agreements, including, without limitation, the nonpayment when due of any principal and interest forming part of the Indebtedness.
- (b) Each of the Credit Parties further acknowledges, confirms and agrees that, as of the date hereof, the Lender has made no promises and has not waived, and does not intend to waive such Existing Defaults, and other than those defaults that have been specifically waived in writing by the Lender, nothing contained herein or the transactions contemplated hereby shall be deemed to constitute any such waiver.

## 2.4 Additional Acknowledgements

Each of the Credit Parties hereby acknowledges, confirms and agrees that:

- (a) the facts set out in the recitals to this Agreement are true and accurate and form part of this Agreement;
- (b) except as amended by this Agreement, the Financing Agreements will remain in full force and effect, unamended, except as provided for by this Agreement;
- (c) the Lender is entitled to exercise its rights and remedies under the Credit Agreement, the Security, the *Personal Property Securities Act* (Ontario) (the “PPSA”) and other applicable law;
- (d) a late reporting fee as contemplated under the Credit Agreement is applicable and owing with respect to the existing delinquent reporting, notwithstanding the Lender’s decision not to demand immediate payment thereunder;

- (e) except as provided for in this Agreement, the Lender (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action, that would constitute a waiver of its rights to enforce the Guarantees or the Security and pursue its remedies in respect of the obligations of the Credit Parties to the Lender, or that would stop it from doing so; and
- (f) to the date hereof, the Lender has acted in good faith and in a commercially reasonable manner, and each of the Credit Parties is estopped from disputing same.

### **ARTICLE 3 CONDITIONS PRECEDENT**

#### **3.1 Conditions Precedent to the Effectiveness of this Agreement**

The forbearance obligations of the Lender under this Agreement shall not be effective unless and until the Lender shall be in receipt of each of the following, all in form and substance satisfactory to the Lender and its legal counsel (collectively, the “**Conditions Precedent**”):

- (a) a copy of this Agreement, fully executed by each of the Credit Parties;
- (b) confirmation of the corporate status of each of the following corporate entities, to confirm whether any of them are active and operational or hold any material assets:
  - (i) Dr. Pavelic Dentistry Professional Corporation, (ii) 2652714 Ontario Inc., and (iii) Dr. Mislav Steven Dentistry Professional Corporation;
- (c) a corporate guarantee executed by 2Th Clinic, Inc. in favour of the Lender guaranteeing the obligations of the Borrower to the Lender;
- (d) a registered general security agreement from 2Th Clinic, Inc. executed in favour of the Lender pursuant to which BMO is granted a security interest over all of the present and after-acquired personal property of 2Th Clinic, Inc.;
- (e) a corporate guarantee executed by Dr. Mislav Steven Dentistry Professional Corporation in favour of the Lender guaranteeing the obligations of the Borrower to the Lender;
- (f) a registered general security agreement from Dr. Mislav Steven Dentistry Professional Corporation executed in favour of the Lender pursuant to which BMO is granted a security interest over all of the present and after-acquired personal property of 2Th Clinic, Inc.;
- (g) a copy of the executed assignment of life insurance in favour of BMO in respect of the life insurance policy in the name of Dr. Mislav Pavelic in the amount of \$1,000,000; and
- (h) the Forbearance Fee, as contemplated in Section 8.1 below.

## ARTICLE 4 FORBEARANCE CONDITIONS

### 4.1 Forbearance

Unless an Intervening Event (as hereinafter defined and pursuant to section 7.1 of this Agreement) occurs under this Agreement, and in reliance upon the acknowledgements, representations, warranties and covenants of the Credit Parties contained in this Agreement, and subject to the terms and conditions of this Agreement, and any documents executed in connection herewith, the Lender agrees to forbear from exercising its rights and remedies under the Credit Agreement, the Security, the PPSA and other applicable law, until the earlier of:

- (a) May 31, 2023; and
- (b) the occurrence of an Intervening Event (as defined herein and pursuant to section 7.1 of this Agreement),

(the “**Forbearance Period**”), which results in the Lender terminating this Agreement and the balance of any outstanding Obligations shall be immediately due and payable.

### 4.2 Expiration or Termination of the Forbearance Period

Unless extended in writing, upon the expiration or termination of the Forbearance Period, the agreement of the Lender to forbear shall automatically and without further action terminate and be of no further force and effect, it being expressly agreed that the effect of such expiration or termination will be to permit the Lender to exercise its rights and remedies under the Financing Agreements, this Agreement and any other agreement or documents executed in connection herewith immediately, including, without limitation: (i) the exercise of any and all remedies available pursuant to the Financing Agreements including the appointment of a private or court-appointed interim receiver, receiver or receiver and manager under the Security held by the Lender from the Credit Parties; and (ii) the acceleration of all of the obligations of the Credit Parties to the Lender without any further notice, passage of time or forbearance of any kind.

### 4.3 Tolling

- (a) As of the date hereof and continuing until the termination of the Forbearance Period and thereafter until the termination of the tolling arrangements in the manner provided for at subparagraph 4.3(b) herein (and notwithstanding any demand for payment or notices under the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) delivered by the Lender), each of the Credit Parties and the Lender hereby agrees to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the Indebtedness, the Security and any entitlements arising from the Indebtedness or the Security and any other related matters, and each of the Credit Parties and the Lender confirms that such agreement is intended to be an agreement to suspend or extend the basic limitation period, provided by section 4 of the *Limitations Act, 2002* (Ontario) (the “**LA**”) as well as the ultimate limitation period provided by section 15 of the LA in

accordance with the provisions of subsection 22(2) of the LA and as a business agreement in accordance with the provisions of subsection 22(5) of the LA and any contractual time limitations on the commencement of proceedings, any claims or defences based upon such application of statute of limitations, contractual limitations or any time-related doctrine including waiver, estoppel or laches.

- (b) The tolling provisions of this Agreement will terminate upon any of its parties providing the others with 60 days' written notice of an intention to terminate the tolling provisions hereof, and upon the expiry of such 60 days' notice, any time provided for under the statute of limitations, laches, or any other doctrine related to the passage of time in relation to the Indebtedness, the Guarantees, the Security, or any claims arising thereunder, will recommence running as of such date, and for greater certainty the time during which the parties agree to the suspension of the limitation period pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

#### **4.4 No Other Waivers; Reservation of Rights**

Subject to section 4.1 of this Agreement, the Lender reserves the right, in its sole and absolute discretion, to exercise any or all of its rights or remedies under any one or more of the Financing Agreements, the PPSA or other applicable law of any jurisdiction, and the Lender has not waived any such rights or remedies, and nothing in this Agreement and no delay on the part of the Lender in exercising any such rights or remedies, shall be construed as a waiver of any such rights or remedies.

### **ARTICLE 5 REPORTING**

#### **5.1 Reporting Requirements**

During the Forbearance Period, each of the Credit Parties agrees to continue to honour the reporting requirements as previously agreed with the Lender in the Financing Agreements, or as amended herein, and shall continue to do so until such time as the obligations of the Borrowers to the Lender have been indefeasibly repaid in full. Without limiting the generality of the foregoing, the Credit Parties, shall provide the Lender with the following additional reporting or information, independently of any other reporting obligations until written notice from the Lender that it is no longer required:

- (a) bi-weekly detailed written updates of the Credit Parties' restructuring and refinancing and sale efforts, to be delivered by close of business on the applicable Tuesday;
- (b) bi-weekly detailed updates regarding Pinnacle's equity raises and investments, to be delivered by close of business on the applicable Tuesday;
- (c) monthly in-house financial statements, including a balance sheet and detailed breakdowns between practices, for the Borrower, which report shall be delivered no later than the close of business on the third Friday of the subsequent month; and

- (d) monthly reporting of Priority Payables (as hereinafter defined) and evidence that they are current, to be delivered by close of business on the fifth (5<sup>th</sup>) Business Day following the applicable month's end.

**ARTICLE 6**  
**AMENDMENTS AND OBLIGATIONS OF THE CREDIT PARTIES**  
**DURING THE FORBEARANCE PERIOD**

**6.1 Amendments to Credit Agreement**

During the Forbearance Period, each of the Credit Parties shall adhere to all the terms, conditions and covenants of the Credit Agreement, this Agreement and the other Financing Agreements, including, without limitation, terms requiring prompt payment of principal, interest, fees and other amounts when due, except to the extent that such terms, conditions and covenants are otherwise specifically amended by this Agreement, including:

***Facility #6***

- (a) On December 31, 2022, the Corporate MasterCard issued in the name Brian Holland under Facility #6 shall be cancelled and terminated, such that no further credit or advances shall be available thereunder. The Facility Authorization under Facility #6 shall be reduced accordingly.
- (b) On December 31, 2022, the Corporate MasterCard issued in the name Dr. Mislav Pavalic under Facility #6 shall be permanently reduced from \$90,000 to \$60,000, such that the Facility Authorization under Facility #6 shall be permanently reduced accordingly.
- (c) Effective upon implementation of Sections 6.1(a) and (b), the Facility Authorization under Facility #6 shall be \$60,000.

***Interest Rates***

- (d) Effective January 1, 2023, the "INTEREST RATES" applicable to each of Facility #1, Facility #2, Facility #3, Facility #4 and Facility #5, shall be increased to Prime Rate plus 1.25%.

**6.2 Full Co-Operation**

During the Forbearance Period, each of the Credit Parties shall cooperate fully with the Lender, including, without limitation, by providing promptly all requested information, and by providing the Lender full access to the books, records, property, assets and personnel of the Credit Parties wherever they may be situated and in whatever medium they may be recorded, at the request of and at times convenient to any such party, acting reasonably, which right of access shall include the right to inspect and appraise such property and assets.

### 6.3 Payment and Other Obligations

Each of the Credit Parties hereby covenants and agrees with the Lender to reimburse the Lender for all reasonable expenses, including, without limitation, actual legal and other professional expenses that the Lender has incurred or will incur arising out of its dealings with any of the Credit Parties and in the protection, preservation and enforcement of the Security and/or the Guarantees, as applicable, including, without limitation, the actual fees and expenses of the Lender's solicitors, Aird & Berlis LLP (the "**Professional Expenses**"), and that the Professional Expenses shall be for the account of the Borrower and shall be paid by the Borrower upon delivery to the Borrower of invoices evidencing the Professional Expenses, or payment will otherwise be made by the Lender for later repayment by the Borrower by no later than the expiration or termination of the Forbearance Period. Nothing in this Agreement shall derogate from the Credit Parties' obligation to pay for all the Professional Expenses or shall constitute a cap on Professional Expenses.

### 6.4 Marketing and Sale Efforts

#### *2th Dental @ Fort York*

- (a) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender any executed agreement of purchase and sale (a "**Fort York Sale Agreement**") with respect to the sale of the 2th Clinic, Inc. Dental @ Fort York practice located at 129 Fort York Blvd, Toronto, Ontario (the "**Fork York Practice**") reflecting a purchase price and terms satisfactory to the Lender.

#### *2th Dental @ St Clair / Bathurst*

- (b) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender a copy of an executed agreement of purchase and sale (a "**Bathurst Sale Agreement**") with respect to the 2th Dental @ St Clair/Bathurst practice located at 1500 Bathurst St., Unit 2, Toronto, Ontario (the "**Bathurst Practice**"), reflecting a purchase price in the amount of not less than \$1,800,000, subject to usual adjustments, full sales proceeds (after closing costs) to be directed to the Lender upon closing, scheduled to be on or before February 13, 2023, to permanently reduce outstanding amounts owing under credit facilities number 0002-6931-655, 0002-6930-089 and 0002-6929-643;

#### *2th Dental @ Glenashton*

- (c) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender a copy of a signed letter of intent or offer to purchase the 2th Dental @ St Glenashton practice located at 2165 Grosvenor St. Oakville, Ontario (the "**Glenashton Practice**") and reflecting a purchase price in the amount of at least \$925,000, full sales proceeds (after closing costs) to be directed to the Lender upon closing to repay the outstanding credit facility no. 0002-6929-950.
- (d) The Borrower hereby agrees, promptly following receipt of same, deliver to the Lender confirmation that the proposed purchaser has completed its due diligence

and that it will proceed with the sale transaction, and deliver an executed agreement of purchase and sale with respect to the sale of the Glenashton Practice, subject to terms satisfactory to the Lender (a “**Glenashton Sale Agreement**”).

- (e) Within two (2) business days of receipt of same, agrees to deliver to the Lender a copy of the executed Glenashton Agreement.

***Pinnacle Investment Funds***

- (f) Pinnacle hereby agrees to direct or pay over to the Lender any and all funds raised from investments to be applied against (A) any shortfall in the repayment of the Indebtedness after application of any sale proceeds or refinancing funds obtained by the Borrower as contemplated herein, (ii) to repay any remaining balance owing under the overdraft credit facility (loan no. 0002-1760-447), and (ii) any amounts owing under the corporate Mastercard credit facility.

**6.5 Additional Covenants**

For the duration of the Forbearance Period, each of the Credit Parties hereby covenants and agrees with the Lender as follows:

- (a) By no later than 5:00 p.m. on December 31, 2022, the Borrower shall deliver or cause to be delivered to the Lender the following:
  - (i) copies of the 2021 notices of assessment issued by Canada Revenue Agency (“**CRA**”) for each of Brian Holland and Dr. Mislav Pavelic;
  - (ii) a completed and signed copy of the personal financial summary, on Lender standard form, for Dr. Mislav Pavelic; and
  - (iii) a copy of Pinnacle’s most recent monthly investment statements setting out the list of current investments and/or funds currently held;
- (b) the Borrower will indefeasibly repay the Indebtedness in full on or before the expiry of the Forbearance Period;
- (c) the Borrower shall not open or maintain any other banking accounts with any institution other than its current financial institution without the Lender’s prior written consent;
- (d) by no later than March 31, 2023, the Borrower shall deliver to the Lender copies of the CRA notice of assessments for fiscal year 2021 with respect to each of Corporate Credit Parties;
- (e) each of the Corporate Credit Parties shall maintain its corporate existence as a valid and subsisting entity and shall not merge, amalgamate or consolidate with any other corporation, except with the Lender’s prior written consent;

- (f) except as specifically provided for herein or as otherwise waived in writing by the Lender, each of the Credit Parties shall comply in all respects with all terms and provisions of the Financing Agreements and this Agreement and nothing herein derogates therefrom;
- (g) the Borrower shall deliver copies of all refinancing proposals (ie. letters of intent, commitment letters, term sheets), including in connection with the sale of any of the dental practices, within two (2) days of receipt of same by the Borrower;
- (h) the Borrower shall comply with any and all cash management obligations and obligations to maintain insurance in accordance with the Financing Agreements;
- (i) the Borrower shall be responsible for paying the fees and out of pocket expenses of the Lender and, if the Borrower fails to do so, the amount of such fees and expenses will be added to the Indebtedness;
- (j) none of the Corporate Credit Parties shall, without the prior written consent of the Lender, make any distribution or payment to any person, corporation or other entity who does not deal with any of the Credit Parties at arm's length (as such term is defined in the *Income Tax Act* (Canada)), except for:
  - (i) payments of salary at levels not in excess of those now in effect;
  - (ii) payments to any landlord which are commercially reasonable and in accordance with the current lease agreement for the premises leased from such landlord; and
  - (iii) payments to ordinary suppliers arising in the ordinary course of the business of the Corporate Credit Parties that are commercially reasonable and are competitive with payments that would be required to be paid to a comparable supplier acting at arm's length;
- (k) the Credit Parties shall not, without the prior written consent of the Lender, make any loans or advance money or property to any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties) or invest in (by capital contribution, dividend or otherwise) or purchase or repurchase the shares or indebtedness or all or a substantial part of the assets or property of any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties), or guarantee, assume, endorse, or otherwise become responsible (directly or indirectly) for the indebtedness, performance, obligations or dividends of any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties) or agree to do any of the foregoing, other than as required by the Financing Agreements;
- (l) none of the Credit Parties shall encumber, mortgage, hypothec, pledge or otherwise cause any form of lien or charge on any of their property or assets, including intangible and contingent assets, without the prior written consent of the Lender;

- (m) none of the Credit Parties shall, without the prior written consent of the Lender, repay any principal or interest which may be owing or become owing in connection with any shareholder or related party loan or any loan made by any party subordinate to the Lender;
- (n) none of the Corporate Credit Parties shall, without the prior written consent of the Lender, make any distribution (whether by dividend or otherwise) or effect any return of capital on any investment made by any shareholder, or any party related to any shareholder, or any of the Credit Parties;
- (o) none of the Credit Parties shall, in any case (other than as permitted in Section 6.4(h) hereof) make any payment to any party if the financial position of any of the Credit Parties after making such payment would put any of the Credit Parties in a position of breach or default of its obligations under this Agreement or constitute an Intervening Event;
- (p) each of the Credit Parties shall keep current at all times all obligations that constitute priority obligations, meaning those obligations payable in priority to the obligations owed to the Lender (“**Priority Payables**”), including wages and remittances required to be made for taxes and other liabilities owed to federal, provincial and municipal governments, including, without limitation, property taxes and money owed in respect of employee source deductions pursuant to the *Canada Pension Plan Act* (Canada), *Employment Insurance Act* (Canada) and *Income Tax Act* (Canada), and in respect of HST, and the Credit Parties shall provide on a regular basis evidence of such payments satisfactory to the Lender;
- (q) each of the Credit Parties shall, forthwith upon request, take all steps required to cure any deficiencies, if any, in the Security and the Guarantees;
- (r) each of the Credit Parties shall give to the Lender prompt notice of any litigation, arbitration or administrative proceeding before or of any court, arbitration, tribunal or governmental authority affecting any of the assets, property or undertakings of any of the Credit Parties; and
- (s) unless otherwise agreed to herein, the Credit Parties shall not do any act or thing which may have the effect of defeating or delaying the enforcement of the Lender’s rights and remedies under the Security.

Each of the Credit Parties represents and warrants to the Lender that all the obligations of the Corporate Credit Parties with respect to employee wages and vacation pay are current as of the date of this Agreement and shall remain current throughout the Forbearance Period.

**ARTICLE 7**  
**INTERVENING EVENTS**

**7.1 Intervening Events**

Upon the happening of any one of the following events (each an “**Intervening Event**”), the Forbearance Period shall forthwith terminate:

- (a) any representation, warranty or statement made by any of the Credit Parties in this Agreement or any other agreement with the Lender was untrue or incorrect when made or becomes untrue or incorrect;
- (b) any of the Credit Parties fails to perform or comply with any of its covenants or obligations contained in this Agreement, any of the Financing Agreements or in any other agreement or undertaking with the Lender other than as expressly waived in writing by the Lender;
- (c) any of the Credit Parties fails to maintain and keep current payments of Priority Payables, which may result in any claim ranking in priority or *pari passu* to the claim of the Lender;
- (d) any of the Credit Parties defaults in timely payment of rentals or other charges due as rent in respect of any leased premises or equipment, subject to written accommodation between by the landlord;
- (e) any of the Credit Parties defaults in the performance of any obligation under any of the Financing Agreements after the date hereof;
- (f) the occurrence of any other event which, in the opinion of the Lender, acting reasonably, may materially and adversely impact the priority or enforceability of the Security or the Guarantees, or the realizable value of the collateral subject to such Security;
- (g) the Security ceases to constitute a first-ranking, valid and perfected security interest against all assets of the Corporate Credit Parties;
- (h) the loss, damage, destruction or confiscation of any material property or assets of the Credit Parties, unless upon such event, the Credit Parties pay to the Lender forthwith such amount (whether from insurance proceeds or otherwise) as the Lender, in its sole and absolute discretion, determines is satisfactory, or applies any insurance proceeds received by the Borrower from its insurer to replace such lost or damaged property or assets;
- (i) any person takes possession of any property of the Credit Parties by way of or in contemplation of any enforcement of security, or a distress or execution or similar process levied or enforced against any property of the Credit Parties;

- (j) any change of ownership, control or management of any of the Corporate Credit Parties, without the Lender's prior written consent;
- (k) in the Lender's sole opinion, a material adverse change occurs in the business, affairs, financial condition, operation or ownership of any of the Credit Parties arising for any reason whatsoever;
- (l) any of the Corporate Credit Parties fails to maintain current insurance or other material contracts;
- (m) without the Lender's prior written consent, any of the Corporate Credit Parties ceases to carry on business in the normal course in the same manner as such business has previously been carried on or as specifically amended by this Agreement or commits or threatens to commit an act of bankruptcy;
- (n) without the prior written consent of the Lender, any of the Credit Parties takes any action or commences any proceeding or any action or proceeding is taken or commenced by another person or persons against any of the Credit Parties relating to the reorganization, readjustment, compromise or settlement of the debts owed by any of the Credit Parties to its creditors where such reorganization, readjustment, compromise or settlement shall affect a substantial portion of any of the Credit Parties' assets or property, including, without limitation, the filing of a Notice of Intention to Make a Proposal under the BIA, the making of an order under the *Companies' Creditors Arrangement Act* (Canada) or the commencement of any similar action or proceeding by any party other than the Lender;
- (o) the filing of an application for a bankruptcy order against any of the Credit Parties pursuant to the provisions of the BIA by any party other than the Lender;
- (p) any of the Corporate Credit Parties fails to meet its payroll obligations or does not have sufficient funds available to fund its payroll obligations, or fails to produce evidence, satisfactory to the Lender, acting reasonably, of the availability of such funds to the Lender;
- (q) at any time any of the Credit Parties fails to operate and maintain sufficient funds to cover any and all items attempting to clear any of their bank accounts;
- (r) any of the Credit Parties fails to meet any of its reporting requirements in accordance with section 5.1 of this Agreement;
- (s) the Borrowers fail to repay the Indebtedness on or before the expiry of the Forbearance Period; or
- (t) the expiration or termination of the Forbearance Period

## **ARTICLE 8 GENERAL PROVISIONS**

### **8.1 Forbearance Fee**

In consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender a forbearance fee of \$5,000 (the “**Forbearance Fee**”). Such forbearance will be fully earned and payable upon execution of this Agreement. The Borrowers hereby authorize the Lender to debit the Forbearance Fee from their accounts maintained with the Lender. The Forbearance Fee is owing in addition to all other fees, interest, costs and expenses payable in connection with the Financing Agreements or this Agreement, and, to the extent not paid, shall form part of the Indebtedness and shall be secured by any and all of the Security.

### **8.2 Effect of this Agreement**

Except as modified pursuant hereto, no other changes or modifications to the terms of the Financing Agreements are intended or implied and in all other respects, the terms of the Financing Agreements are confirmed.

### **8.3 Further Assurances**

The parties hereto shall execute and deliver such supplemental documents and take such supplemental action as may be necessary or desirable to give effect to the provisions and purposes of this Agreement, all at the sole expense of the Credit Parties.

### **8.4 Binding Effect**

This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and its respective successors and permitted assigns.

### **8.5 Survival of Representations and Warranties**

All representations and warranties made in this Agreement or any other document furnished in connection herewith shall survive the execution and delivery of this Agreement and such other document delivered in connection herewith, and no investigation by the Lender or any closing shall affect the representations and warranties or the rights of the Lender to rely upon such representations and warranties.

### **8.6 Confidentiality**

The Lender and its professional advisors shall be at liberty, in their sole discretion, to disclose any information obtained from the Credit Parties to any party or parties in order to recover amounts owed to the Lender by the Credit Parties.

### **8.7 Release**

In consideration of the agreements of the Lender contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Credit

Parties, on their behalf and on behalf of their successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably release, remise and forever discharge the Lender and each of its successors and assigns, participants, affiliates, subsidiaries, branches, divisions, predecessors, directors, officers, attorneys, employees, lenders and other representatives and advisors (the Lender and all such other persons being hereinafter referred to collectively as the “**Releasees**” and individually as a “**Releasee**”), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defences, rights of set-off, demands and liabilities whatsoever (individually, a “**Claim**” and collectively, “**Claims**”) of every name and nature, known or unknown, suspected or unsuspected, both arising at law and in equity, which any of the Credit Parties or any of their successors, assigns or other legal representatives may now own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, including, without limitation, for or on account of, or in relation to, or in any way in connection with, any of the Financing Agreements or transactions thereunder or related thereto.

#### **8.8 No Novation**

This Agreement will not discharge or constitute novation of any debt, obligation, covenant or agreement contained in the Credit Agreement or any of the Financing Agreements but the same shall remain in full force and effect save to the extent amended by this Agreement.

#### **8.9 Notice**

Without prejudice to any other method of giving notice, any notice required or permitted to be given to a party pursuant to this Agreement will be conclusively deemed to have been received by such party on the day of the sending of the notice by prepaid private courier to such party at its, his or her address noted below or by email at its, his or her email address noted below. Any party may change its, his or her address for service or address by notice given in the foregoing manner.

Notice to the Credit Parties shall be sent to:

c/o 2th, Inc.  
Unit 2 – 1500 Bathurst Street  
York, Ontario  
M5P 3L3

Attention: Brian Holland Dr. Pavelic  
Email: [brian.holland@pinnacleridgecapitalgroup.com](mailto:brian.holland@pinnacleridgecapitalgroup.com) / [sherwaydental@rogers.com](mailto:sherwaydental@rogers.com)

with a copy to:

Robert B. MacLellan Canada Law  
40 University Avenue, Suite 1003  
Toronto, ON M5J 1T1

Attention: Rob MacLellan  
Email: [rmaclellan@rbmcanadalaw.com](mailto:rmaclellan@rbmcanadalaw.com)

Notice to the Lender shall be sent to:

Bank of Montreal  
100 King Street West, 19<sup>th</sup> Floor  
Toronto, Ontario  
M5X 1A1

Attention: Michaela Wolf  
Email: [Michaela.Wolf@bmo.com](mailto:Michaela.Wolf@bmo.com)

with a copy to:

Aird & Berlis LLP  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

Attention: Kyle Plunkett  
Email: [kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com)

## **8.10 Binding and Enforceable Agreement**

In order for this Agreement to be binding and enforceable, it shall be signed by each of the Credit Parties by no later than 4:00 p.m. (Toronto time) on December 20, 2022.

## **8.11 Execution in Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and which taken together will be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or portable document format (“PDF”) form

and the parties adopt any signatures received by a receiving fax machine or by emailed PDF as original signatures of the parties, provided, however, that any party providing its signature in such manner will promptly forward to the other party an original of the signed copy of the Agreement which was so faxed or emailed.

**8.12 No Set Off, etc.**

Each of the Credit Parties reaffirms that the Financing Agreements remain in full force and effect as amended hereby and acknowledges and agrees that there is no defence, set off or counterclaim of any kind, nature or description to its obligations arising under the Financing Agreements as a result of the execution of this Agreement or otherwise.


**8.13 Independent Legal Advice, etc.**

Each of the Credit Parties acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation, independent legal advice; (b) it fully understands the nature and effect of this Agreement; and (c) this Agreement has been duly executed voluntarily.

*[The remainder of this page is intentionally left blank.]*

**IN WITNESS WHEREOF**, the parties hereto have entered into this Agreement as of the date first above mentioned.

**BANK OF MONTREAL**

Per:  Type text here  
Name: Michaela Wolf  
Title: Senior Relationship Manager

**2TH, INC.**

By: Brian Holland  
Name: Brian Holland  
Title: President

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: Mislav Pavelic  
Name:  
Title:

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: Mislav Pavelic  
Name:  
Title:

**PINNACLE RIDGE CAPITAL GROUP II, LP**

By: Brian Holland  
Name: Brian Holland  
Title: President

**2652714 ONTARIO INC.**

By: Mislav Pavelic  
Name: Mislav Pavelic DDS  
Title: principal

\_\_\_\_\_  
Witness

Mislav Pavelic  
**DR. MISLAV PAVELIC**

Stephanie Holland  
Witness Stephanie Holland

Brian Holland  
**MR. BRIAN HOLLAND**

**SCHEDULE "A"**  
**THE "GUARANTEES"**

1. Guarantee Agreement executed by Pavelic and Holland, jointly and severally, in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
2. Guarantee Agreement executed by DPC in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
3. Guarantee Agreement executed by Pavelic DPC in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
4. Guarantee Agreement executed by Pinnacle in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
5. Guarantee Agreement executed by 265 in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.

**SCHEDULE “B”  
THE “SECURITY”**

1. General Security Agreement granted by the Borrower in favour of the Lender dated February 25, 2019.
2. General Security Agreement granted by DPC in favour of the Lender dated February 25, 2019.
3. General Security Agreement granted by Pavelic DPC in favour of the Lender dated February 25, 2019.
4. General Security Agreement granted by Pinnacle in favour of the Lender dated February 25, 2019.
5. General Security Agreement granted by 265 in favour of the Lender dated February 25, 2019.
6. Assignment of Fire Insurance executed by the Borrower in favour of the Lender dated February 25, 2019.
7. Assignment of Fire Insurance executed by Pavelic DPC in favour of the Lender dated February 25, 2019.
8. Assignment of Life Insurance Policy on the life of Pavelic in favour of the Lender.

This is Exhibit "M" referred to in the Affidavit of Michaela Wolf sworn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.



---

*Calvin Peter Horsten, a*

*Commissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

## FORBEARANCE EXTENSION AGREEMENT

THIS AGREEMENT made as of the 28 of May, 2023.

**A M O N G S T:**

### **BANK OF MONTREAL**

(hereinafter referred to as the “**Lender**”)

- and -

### **2TH, INC.**

(hereinafter referred to as the “**Borrower**”)

- and -

**DR. MISLAV PAVELIC, MR. BRIAN HOLLAND, DR. PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, DR. MISLAV PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, PINNACLE RIDGE CAPITAL GROUP II, LP and  
2652714 ONTARIO INC.**

(hereinafter referred to collectively as the “**Guarantors**” and,  
together with the Borrower, the “**Credit Parties**”)

**WHEREAS** the Lender, the Borrower and the Guarantors entered into a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”), pursuant to which the Lender agreed to forbear from taking action to enforce the Security until May 31, 2023 so that the Borrower could have an opportunity to restructure their financial affairs, carry out a sale process for the business and assets of the Borrower and repay the Indebtedness owing to the Lender;

**AND WHEREAS** all capitalized terms used but not defined herein shall have the meanings given to such terms in the Forbearance Agreement;

**AND WHEREAS** the Forbearance Period is set to expire and the Indebtedness remains outstanding;

**AND WHEREAS** the Credit Parties have requested, and the Lender has agreed to, an extension of the time by which the Credit Parties must indefeasibly repay the Indebtedness, and the parties hereby wish to confirm the terms and conditions to extend the Forbearance Period;

**NOW THEREFORE** in consideration of the respective covenants of the parties hereto as herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

- (a) the terms and conditions of the Forbearance Agreement shall remain unamended and in full force and effect, except as provided for herein;
- (b) the Forbearance Period in Section 4.1 of the Forbearance Agreement is extended to the earlier of: (i) August 31, 2023; and (ii) the occurrence of an Intervening Event; and
- (c) in consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender an extension fee of \$1,000, which is fully earned and payable on execution of this Agreement, and which will be added to the balance of the Indebtedness upon the execution of this Agreement and shall form part of the Indebtedness and shall be secured by any and all of the Security.

This Agreement may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

*[The remainder of this page is intentionally left blank]*

IN WITNESS WHEREOF the parties have executed this Agreement as of the date written above.

**BANK OF MONTREAL**

By:   
Name: Michaela Wolf  
Title: Senior Relationship Manager

I have authority to bind the bank.

**2TH, INC.**

By:   
Name: Brian Holland  
Title: Director

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director


**PINNACLE RIDGE CAPITAL GROUP II, LP**

By:   
Name: Brian Holland  
Title: Director

**2652714 ONTARIO INC.**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director

\_\_\_\_\_  
Witness

  
Witness

\_\_\_\_\_  
**DR. MISLAV PAVELIC**

  
**MR. BRIAN HOLLAND**

**2TH, INC.**

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

Name:  
Title:

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

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

Name: MISLAV PAVELIC  
Title: PRINCIPAL

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

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

Name: Mislav Pavelic  
Title: PRINCIPAL

**PINNACLE RIDGE CAPITAL GROUP II, LP**

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

Name:  
Title:

**2652714 ONTARIO INC.**

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

Name: MISLAV PAVELIC  
Title: PRINCIPAL

Joanne Hutchison

Witness

*J Hutchison*

**DR. MISLAV PAVELIC**

This is Exhibit "N" referred to in the Affidavit of Michaela Wolf s  
worn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.



---

***Calvin Peter Horsten, a***

***Comissioner, etc., Province of Ontario, while a Student-at-Law.***

***Expires June 14, 2025.***

**From:** Wolf, Michaela

**Sent:** September 6, 2023 3:41 PM

**To:** Brian Holland; Dr Mislav Pavelic

**CC:** Kyle Plunkett

**Subject:** 2Th, Inc.

**Attachments:** 20230526 2TH et al. - signed Forbearance Extension Agreement to Aug 31\_2023.pdf; 20230525 2TH et al. - Forbearance Extension Agreement to July 31\_2023.pdf; 20221223 2th Inc. et al. - Forbearance Agreement(51310111.9) executed by Brian and Mislav MW signed.pdf

**Importance:** High

Dear Mr. Holland and Dr. Pavelic,

As you are aware, the Forbearance Period expired on August 31, 2023, and 2Th, Inc. has failed to repay the Bank in full. There has been no commitment to date to extend the Forbearance Period and continue the terms of the Forbearance Agreement (dated December 23, 2022, as amended & copies attached). Accordingly, the Bank is now in a position to immediately enforce on its security and pursue all other remedies under any guarantees.

If 2Th, Inc. would like the Bank to consider any further extensions, we will require a written proposal as to how 2Th, Inc. will repay the Bank in the very near term.

As of the date hereof, the total outstanding indebtedness of the Borrower to the Bank is \$2,560,889.02 (excluding accrued interest, costs and expenses).

		Sept 6/2023
account #	product	outstanding
0002-1760-447	ODL	\$ 526,775.16
0002-6931-655	DLNR	\$ 853,049.06
0002-6929-643	DLNR	\$ 1,121,064.80
	corporate MC	\$ 60,000.00
Total		\$ 2,560,889.02

In that regard, we request that your proposal to extend be submitted to the Bank by no later than close of business on September 13rd, 2023. Failing which, the Bank will take immediate steps to pursue recover against 2Th, Inc. and Guarantors.

In the interim, please be advised that the Bank has not agreed to waive any defaults, including failure to repay the Bank in full by the expiry of the Forbearance Period, nor has the Bank formally extend the terms of forbearance.

At this time, the Bank is operating on a day-to-day basis, reserving all of its rights and remedies.

Please feel free to reach out to me if you wish to discuss.

**Michaela Wolf**

Senior Account Manager

SAMU Central Canada & Eastern Ontario

**BMO Bank of Montreal**

100 King Street West, 19<sup>th</sup> Floor

Toronto, Ontario M5X 1A1

[Michaela.wolf@bmo.com](mailto:Michaela.wolf@bmo.com)

T 416-927-3026 C 416-230-9353

## FORBEARANCE EXTENSION AGREEMENT

THIS AGREEMENT made as of the 28 of May, 2023.

**A M O N G S T:**

### **BANK OF MONTREAL**

(hereinafter referred to as the “**Lender**”)

- and -

### **2TH, INC.**

(hereinafter referred to as the “**Borrower**”)

- and -

**DR. MISLAV PAVELIC, MR. BRIAN HOLLAND, DR. PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, DR. MISLAV PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, PINNACLE RIDGE CAPITAL GROUP II, LP and  
2652714 ONTARIO INC.**

(hereinafter referred to collectively as the “**Guarantors**” and,  
together with the Borrower, the “**Credit Parties**”)

**WHEREAS** the Lender, the Borrower and the Guarantors entered into a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”), pursuant to which the Lender agreed to forbear from taking action to enforce the Security until May 31, 2023 so that the Borrower could have an opportunity to restructure their financial affairs, carry out a sale process for the business and assets of the Borrower and repay the Indebtedness owing to the Lender;

**AND WHEREAS** all capitalized terms used but not defined herein shall have the meanings given to such terms in the Forbearance Agreement;

**AND WHEREAS** the Forbearance Period is set to expire and the Indebtedness remains outstanding;

**AND WHEREAS** the Credit Parties have requested, and the Lender has agreed to, an extension of the time by which the Credit Parties must indefeasibly repay the Indebtedness, and the parties hereby wish to confirm the terms and conditions to extend the Forbearance Period;

**NOW THEREFORE** in consideration of the respective covenants of the parties hereto as herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

- (a) the terms and conditions of the Forbearance Agreement shall remain unamended and in full force and effect, except as provided for herein;
- (b) the Forbearance Period in Section 4.1 of the Forbearance Agreement is extended to the earlier of: (i) August 31, 2023; and (ii) the occurrence of an Intervening Event; and
- (c) in consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender an extension fee of \$1,000, which is fully earned and payable on execution of this Agreement, and which will be added to the balance of the Indebtedness upon the execution of this Agreement and shall form part of the Indebtedness and shall be secured by any and all of the Security.

This Agreement may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

*[The remainder of this page is intentionally left blank]*

IN WITNESS WHEREOF the parties have executed this Agreement as of the date written above.

**BANK OF MONTREAL**

By:   
Name: Michaela Wolf  
Title: Senior Relationship Manager

I have authority to bind the bank.

**2TH, INC.**

By:   
Name: Brian Holland  
Title: Director

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director


**PINNACLE RIDGE CAPITAL GROUP II, LP**

By:   
Name: Brian Holland  
Title: Director

**2652714 ONTARIO INC.**

By: \_\_\_\_\_  
Name: Dr. Mislav Pavelic  
Title: Director

\_\_\_\_\_  
Witness

  
Witness

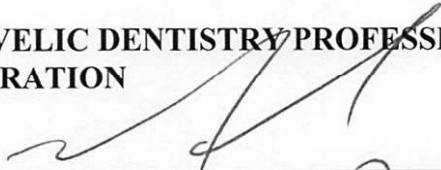
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**DR. MISLAV PAVELIC**

  
**MR. BRIAN HOLLAND**

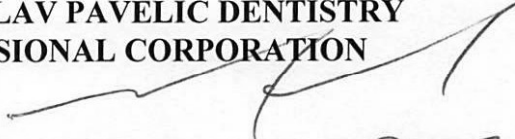
**2TH, INC.**

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

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By:   
Name: MISLAV PAVELIC  
Title: PRINCIPAL

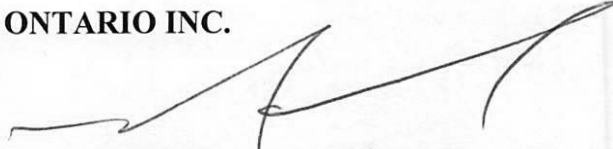
**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

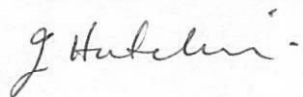
By:   
Name: MISLAV PAVELIC  
Title: PRINCIPAL

**PINNACLE RIDGE CAPITAL GROUP II, LP**

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

**2652714 ONTARIO INC.**

By:   
Name: MISLAV PAVELIC  
Title: PRINCIPAL

Joanne Hutchison  
Witness  


**DR. MISLAV PAVELIC**

## FORBEARANCE EXTENSION AGREEMENT

THIS AGREEMENT made as of the \_\_\_\_ of May, 2023.

**A M O N G S T:**

### **BANK OF MONTREAL**

(hereinafter referred to as the “**Lender**”)

- and -

### **2TH, INC.**

(hereinafter referred to as the “**Borrower**”)

- and -

**DR. MISLAV PAVELIC, MR. BRIAN HOLLAND, DR. PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, DR. MISLAV PAVELIC DENTISTRY  
PROFESSIONAL CORPORATION, PINNACLE RIDGE CAPITAL GROUP II, LP and  
2652714 ONTARIO INC.**

(hereinafter referred to collectively as the “**Guarantors**” and,  
together with the Borrower, the “**Credit Parties**”)

**WHEREAS** the Lender, the Borrower and the Guarantors entered into a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”), pursuant to which the Lender agreed to forbear from taking action to enforce the Security until May 31, 2023 so that the Borrower could have an opportunity to restructure their financial affairs, carry out a sale process for the business and assets of the Borrower and repay the Indebtedness owing to the Lender;

**AND WHEREAS** all capitalized terms used but not defined herein shall have the meanings given to such terms in the Forbearance Agreement;

**AND WHEREAS** the Forbearance Period is set to expire and the Indebtedness remains outstanding;

**AND WHEREAS** the Credit Parties have requested, and the Lender has agreed to, an extension of the time by which the Credit Parties must indefeasibly repay the Indebtedness, and the parties hereby wish to confirm the terms and conditions to extend the Forbearance Period;

**NOW THEREFORE** in consideration of the respective covenants of the parties hereto as herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

- (a) the terms and conditions of the Forbearance Agreement shall remain unamended and in full force and effect, except as provided for herein;
- (b) the Forbearance Period in Section 4.1 of the Forbearance Agreement is extended to the earlier of: (i) July 31, 2023; and (ii) the occurrence of an Intervening Event; and
- (c) in consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender an extension fee of \$1,000, which is fully earned and payable on execution of this Agreement, and which will be added to the balance of the Indebtedness upon the execution of this Agreement and shall form part of the Indebtedness and shall be secured by any and all of the Security.

This Agreement may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

*[The remainder of this page is intentionally left blank]*

IN WITNESS WHEREOF the parties have executed this Agreement as of the date written above.

**BANK OF MONTREAL**

By:   
Name: Michaela Wolf  
Title: Senior Relationship Manager

I have authority to bind the bank.

**2TH, INC.**

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

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

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

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

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

**PINNACLE RIDGE CAPITAL GROUP II, LP**

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

**2652714 ONTARIO INC.**

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**DR. MISLAV PAVELIC**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**MR. BRIAN HOLLAND**

## FORBEARANCE AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is made as of this 23 day of December, 2022.

### AMONGST:

#### BANK OF MONTREAL

(hereinafter referred to as the “**Lender**”)

- and -

#### 2TH, INC.

(hereinafter referred to as the “**Borrower**”)

- and -

**DR. MISLAV PAVELIC (“Pavelic”), MR. BRIAN HOLLAND (“Holland”), DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION (“DPC”), DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION (“Pavelic DPC”), PINNACLE RIDGE CAPITAL GROUP II, LP (“Pinnacle”) and 2652714 ONTARIO INC. (“265”)**

(hereinafter referred to collectively as the “**Guarantors**” and, together with the Borrower, the “**Credit Parties**” and each of the Borrower, DPC, Pavelic DPC and Pinnacle, shall be collectively referred to as the “**Corporate Credit Parties**”)

### RECITALS:

**WHEREAS** the Borrower is indebted to the Lender with respect to certain loans (collectively, the “**Credit Facilities**”) made available by the Lender to the Borrower pursuant to the terms of the letter of agreement entered into between the Lender and the Credit Parties dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Credit Agreement**”);

**AND WHEREAS** the Borrower’s obligations to the Lender have been guaranteed by the Guarantors pursuant to, amongst other things, the terms of the guarantee agreements more particularly set out in **Schedule “A”** hereto (the “**Guarantees**”);

**AND WHEREAS** to secure the Credit Parties’ obligations to the Lender, including, without limitation, those arising under the Credit Agreement and the Guarantees, the Credit Parties and certain other parties have provided security in favour of the Lender, including, without limitation, the security set out in **Schedule “B”** hereto (collectively, the “**Security**”);

**AND WHEREAS** certain events of default have occurred, and/or are continuing, pursuant to the Credit Agreement, including, without limitation, (i) the failure by the Borrower to maintain

the Debt Service Coverage ratio of greater than or equal to 1.25:1.00; and (ii) the failure by the Borrowers to comply with its reporting requirements prescribed in the Credit Agreement (any and all such defaults as may be existing and known to the Lender as of the date hereof, being referred to as the “**Existing Defaults**”);

**AND WHEREAS**, as a result of the Existing Defaults by the Borrower under the Credit Agreement, the Lender delivered to the Borrower a default letter on or about November 9, 2022 (the “**Default Letter**”) setting out the various defaults by the Borrower, none of which were waived, and requesting that the Borrower refinance and/or repay the Lender in full on or before December 9, 2022;

**AND WHEREAS** the Lender expressly reserved all of its rights and remedies under the Credit Agreement and Security;

**AND WHEREAS** the Credit Parties have requested and the Lender has agreed to forbear from taking certain actions under the Credit Agreement, the Guarantees and the Security in connection with the defaults of the Borrower existing to the date hereof, and has agreed to continue to extend the Credit Facilities to the Borrower, all solely on the terms and conditions and subject to the limitations as specified in this Agreement, so that the Borrower has the opportunity to remain in business with a view to repaying the Lender in full on or before the expiry of the Forbearance Period (as defined herein);

**NOW THEREFORE** in consideration of the respective covenants of the parties hereto as herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions and Currency**

In this Agreement, unless the context otherwise requires, all terms defined in the Credit Agreement and not otherwise defined herein shall have the respective meanings ascribed to them in the Credit Agreement. All monetary amounts referred to in this Agreement shall refer to Canadian currency.

### **1.2 Gender and Number**

Words importing the singular include the plural and vice versa and words importing gender include all genders.

### **1.3 Severability**

Each of the provisions contained in this Agreement is distinct and severable, and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement.

## **1.4 Headings**

The division of this Agreement into articles, sections and clauses, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.5 Entire Agreement**

Except for the Financing Agreements (as defined herein) and the additional documents provided for herein, this Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, relating to the subject matter hereof. This Agreement may not be amended or modified except by written consent executed by all the parties. No provision of this Agreement will be deemed waived by any course of conduct unless such waiver is in writing and signed by all the parties, specifically stating that it is intended to modify this Agreement.

## **1.6 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, without regard to any conflicts of law or principles of comity.

## **1.7 Attornment**

Each party hereto irrevocably attorns to the exclusive jurisdiction of the Superior Court of Justice of the Province of Ontario in the City of Toronto for all matters arising out of or in connection with this Agreement.

## **1.8 Conflicts**

If there is any inconsistency or conflict between the terms of this Agreement and the terms of the Credit Agreement, the Guarantees or the Security or any other agreement executed in connection therewith (collectively, the “**Financing Agreements**”), the provisions of this Agreement shall prevail to the extent of the inconsistency, but the foregoing shall not apply to limit or restrict in any way the rights and remedies of the Lender under the Financing Agreements or this Agreement other than as may be specifically contemplated herein.

## **ARTICLE 2 ACKNOWLEDGEMENT AND CONFIRMATION**

### **2.1 Acknowledgement of Obligations**

- (a) The Borrower hereby acknowledges, confirms and agrees that, as of the close of business on December 11, 2022, the Borrower was indebted to the Lender in respect of the Credit Facilities made available pursuant to the Credit Agreement in the aggregate amount of \$4,772,889.99 in principal and interest, exclusive of amounts which may be or become owing for the Lender’s fees, agent costs, professional and

legal fees, accruing interest at the rates set out in the Financing Agreements, costs and any additional borrowings from the date of this Agreement (collectively, the “**Indebtedness**”), as detailed below:

<b>Account</b>	<b>Principal:</b>	<b>Interest:</b>	<b>Total:</b>
OVERDRAFT LENDING C/A 0002-1760-447	\$491,871.39	\$925.66	\$492,797.05
DEMAND LOAN-NON- REVOLVING 0002-6929-643	\$1,271,759.24	\$2,350.14	\$1,274,109.38
DEMAND LOAN-NON- REVOLVING 0002-6929-950	\$1,312,500.10	\$2,425.43	\$1,314,925.53
DEMAND LOAN-NON- REVOLVING 0002-6930-089	\$300,000.10	\$554.39	\$300,554.49
DEMAND LOAN-NON- REVOLVING 0002-6931-655	\$1,296,296.40	\$2,395.48	\$1,298,691.88
CAD Corporate M/C ID 7728- 8030272 LIMIT \$120,000 # 5264-5500-0003-6917	\$29,719.16	NA	\$29,719.16
ODL FEE	\$70.00		
PLAN / FEES	\$22.50		
Admin Fees	\$2,000.00		
CEBA Loan # 5112-4200-0132-6036	\$60,000.00 <sup>1</sup>		
<b>TOTAL</b>	<b>\$4,764,238.89</b>	<b>\$8,651.10</b>	<b>\$4,772,889.99</b>

- (b) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Indebtedness, together with interest accrued and accruing thereon, and fees, costs, expenses and other charges now or hereafter properly payable by the Borrower to the Lender under the Financing Agreements, is unconditionally owing by the Borrower to the Lender, without any right of setoff, defence, counterclaim or reduction of any kind, nature or description whatsoever, and the Borrower is estopped from disputing such Indebtedness.
- (c) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Credit Parties will continue to accept statements of the Indebtedness issued by the Lender to be accurate statements of the amount and the particulars of the Indebtedness as of the date of the statement, absent manifest error;

<sup>1</sup> Under CEBA, if principal is repaid by December 31, 2023, the CEBA loan will be reduced to \$40,000.00 to account for the loan forgiveness portion.

## 2.2 Acknowledgement of Security Interests and Guarantees

- (a) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Security, as applicable, has not been discharged, waived or varied, that it is binding upon the Credit Parties, as applicable, and that it is enforceable in accordance with its written terms until the obligations of the Credit Parties to the Lender have been indefeasibly paid and satisfied in full.
- (b) Each of the Guarantors hereby acknowledges, confirms and agrees that the Guarantees are and shall continue to be in full force and effect and are valid, binding and enforceable upon the Guarantors until the obligations of the Credit Parties to the Lender have been indefeasibly paid and satisfied in full, and that neither the execution of this Agreement nor any change to the Indebtedness occasioned hereby, or any other matter arising herefrom, shall in any way affect the continuing effectiveness or validity of the Guarantees.

## 2.3 Acknowledgement of Certain Events of Default

- (a) Each of the Credit Parties hereby acknowledges, confirms and agrees that the Existing Defaults have occurred and is continuing pursuant to the provisions of the Financing Agreements, including, without limitation, the nonpayment when due of any principal and interest forming part of the Indebtedness.
- (b) Each of the Credit Parties further acknowledges, confirms and agrees that, as of the date hereof, the Lender has made no promises and has not waived, and does not intend to waive such Existing Defaults, and other than those defaults that have been specifically waived in writing by the Lender, nothing contained herein or the transactions contemplated hereby shall be deemed to constitute any such waiver.

## 2.4 Additional Acknowledgements

Each of the Credit Parties hereby acknowledges, confirms and agrees that:

- (a) the facts set out in the recitals to this Agreement are true and accurate and form part of this Agreement;
- (b) except as amended by this Agreement, the Financing Agreements will remain in full force and effect, unamended, except as provided for by this Agreement;
- (c) the Lender is entitled to exercise its rights and remedies under the Credit Agreement, the Security, the *Personal Property Securities Act* (Ontario) (the “PPSA”) and other applicable law;
- (d) a late reporting fee as contemplated under the Credit Agreement is applicable and owing with respect to the existing delinquent reporting, notwithstanding the Lender’s decision not to demand immediate payment thereunder;

- (e) except as provided for in this Agreement, the Lender (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action, that would constitute a waiver of its rights to enforce the Guarantees or the Security and pursue its remedies in respect of the obligations of the Credit Parties to the Lender, or that would stop it from doing so; and
- (f) to the date hereof, the Lender has acted in good faith and in a commercially reasonable manner, and each of the Credit Parties is estopped from disputing same.

### **ARTICLE 3 CONDITIONS PRECEDENT**

#### **3.1 Conditions Precedent to the Effectiveness of this Agreement**

The forbearance obligations of the Lender under this Agreement shall not be effective unless and until the Lender shall be in receipt of each of the following, all in form and substance satisfactory to the Lender and its legal counsel (collectively, the “**Conditions Precedent**”):

- (a) a copy of this Agreement, fully executed by each of the Credit Parties;
- (b) confirmation of the corporate status of each of the following corporate entities, to confirm whether any of them are active and operational or hold any material assets:
  - (i) Dr. Pavelic Dentistry Professional Corporation, (ii) 2652714 Ontario Inc., and (iii) Dr. Mislav Steven Dentistry Professional Corporation;
- (c) a corporate guarantee executed by 2Th Clinic, Inc. in favour of the Lender guaranteeing the obligations of the Borrower to the Lender;
- (d) a registered general security agreement from 2Th Clinic, Inc. executed in favour of the Lender pursuant to which BMO is granted a security interest over all of the present and after-acquired personal property of 2Th Clinic, Inc.;
- (e) a corporate guarantee executed by Dr. Mislav Steven Dentistry Professional Corporation in favour of the Lender guaranteeing the obligations of the Borrower to the Lender;
- (f) a registered general security agreement from Dr. Mislav Steven Dentistry Professional Corporation executed in favour of the Lender pursuant to which BMO is granted a security interest over all of the present and after-acquired personal property of 2Th Clinic, Inc.;
- (g) a copy of the executed assignment of life insurance in favour of BMO in respect of the life insurance policy in the name of Dr. Mislav Pavelic in the amount of \$1,000,000; and
- (h) the Forbearance Fee, as contemplated in Section 8.1 below.

## ARTICLE 4 FORBEARANCE CONDITIONS

### 4.1 Forbearance

Unless an Intervening Event (as hereinafter defined and pursuant to section 7.1 of this Agreement) occurs under this Agreement, and in reliance upon the acknowledgements, representations, warranties and covenants of the Credit Parties contained in this Agreement, and subject to the terms and conditions of this Agreement, and any documents executed in connection herewith, the Lender agrees to forbear from exercising its rights and remedies under the Credit Agreement, the Security, the PPSA and other applicable law, until the earlier of:

- (a) May 31, 2023; and
- (b) the occurrence of an Intervening Event (as defined herein and pursuant to section 7.1 of this Agreement),

(the “**Forbearance Period**”), which results in the Lender terminating this Agreement and the balance of any outstanding Obligations shall be immediately due and payable.

### 4.2 Expiration or Termination of the Forbearance Period

Unless extended in writing, upon the expiration or termination of the Forbearance Period, the agreement of the Lender to forbear shall automatically and without further action terminate and be of no further force and effect, it being expressly agreed that the effect of such expiration or termination will be to permit the Lender to exercise its rights and remedies under the Financing Agreements, this Agreement and any other agreement or documents executed in connection herewith immediately, including, without limitation: (i) the exercise of any and all remedies available pursuant to the Financing Agreements including the appointment of a private or court-appointed interim receiver, receiver or receiver and manager under the Security held by the Lender from the Credit Parties; and (ii) the acceleration of all of the obligations of the Credit Parties to the Lender without any further notice, passage of time or forbearance of any kind.

### 4.3 Tolling

- (a) As of the date hereof and continuing until the termination of the Forbearance Period and thereafter until the termination of the tolling arrangements in the manner provided for at subparagraph 4.3(b) herein (and notwithstanding any demand for payment or notices under the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) delivered by the Lender), each of the Credit Parties and the Lender hereby agrees to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the Indebtedness, the Security and any entitlements arising from the Indebtedness or the Security and any other related matters, and each of the Credit Parties and the Lender confirms that such agreement is intended to be an agreement to suspend or extend the basic limitation period, provided by section 4 of the *Limitations Act, 2002* (Ontario) (the “**LA**”) as well as the ultimate limitation period provided by section 15 of the LA in

accordance with the provisions of subsection 22(2) of the LA and as a business agreement in accordance with the provisions of subsection 22(5) of the LA and any contractual time limitations on the commencement of proceedings, any claims or defences based upon such application of statute of limitations, contractual limitations or any time-related doctrine including waiver, estoppel or laches.

- (b) The tolling provisions of this Agreement will terminate upon any of its parties providing the others with 60 days' written notice of an intention to terminate the tolling provisions hereof, and upon the expiry of such 60 days' notice, any time provided for under the statute of limitations, laches, or any other doctrine related to the passage of time in relation to the Indebtedness, the Guarantees, the Security, or any claims arising thereunder, will recommence running as of such date, and for greater certainty the time during which the parties agree to the suspension of the limitation period pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

#### **4.4 No Other Waivers; Reservation of Rights**

Subject to section 4.1 of this Agreement, the Lender reserves the right, in its sole and absolute discretion, to exercise any or all of its rights or remedies under any one or more of the Financing Agreements, the PPSA or other applicable law of any jurisdiction, and the Lender has not waived any such rights or remedies, and nothing in this Agreement and no delay on the part of the Lender in exercising any such rights or remedies, shall be construed as a waiver of any such rights or remedies.

### **ARTICLE 5 REPORTING**

#### **5.1 Reporting Requirements**

During the Forbearance Period, each of the Credit Parties agrees to continue to honour the reporting requirements as previously agreed with the Lender in the Financing Agreements, or as amended herein, and shall continue to do so until such time as the obligations of the Borrowers to the Lender have been indefeasibly repaid in full. Without limiting the generality of the foregoing, the Credit Parties, shall provide the Lender with the following additional reporting or information, independently of any other reporting obligations until written notice from the Lender that it is no longer required:

- (a) bi-weekly detailed written updates of the Credit Parties' restructuring and refinancing and sale efforts, to be delivered by close of business on the applicable Tuesday;
- (b) bi-weekly detailed updates regarding Pinnacle's equity raises and investments, to be delivered by close of business on the applicable Tuesday;
- (c) monthly in-house financial statements, including a balance sheet and detailed breakdowns between practices, for the Borrower, which report shall be delivered no later than the close of business on the third Friday of the subsequent month; and

- (d) monthly reporting of Priority Payables (as hereinafter defined) and evidence that they are current, to be delivered by close of business on the fifth (5<sup>th</sup>) Business Day following the applicable month's end.

**ARTICLE 6**  
**AMENDMENTS AND OBLIGATIONS OF THE CREDIT PARTIES**  
**DURING THE FORBEARANCE PERIOD**

**6.1 Amendments to Credit Agreement**

During the Forbearance Period, each of the Credit Parties shall adhere to all the terms, conditions and covenants of the Credit Agreement, this Agreement and the other Financing Agreements, including, without limitation, terms requiring prompt payment of principal, interest, fees and other amounts when due, except to the extent that such terms, conditions and covenants are otherwise specifically amended by this Agreement, including:

***Facility #6***

- (a) On December 31, 2022, the Corporate MasterCard issued in the name Brian Holland under Facility #6 shall be cancelled and terminated, such that no further credit or advances shall be available thereunder. The Facility Authorization under Facility #6 shall be reduced accordingly.
- (b) On December 31, 2022, the Corporate MasterCard issued in the name Dr. Mislav Pavalic under Facility #6 shall be permanently reduced from \$90,000 to \$60,000, such that the Facility Authorization under Facility #6 shall be permanently reduced accordingly.
- (c) Effective upon implementation of Sections 6.1(a) and (b), the Facility Authorization under Facility #6 shall be \$60,000.

***Interest Rates***

- (d) Effective January 1, 2023, the "INTEREST RATES" applicable to each of Facility #1, Facility #2, Facility #3, Facility #4 and Facility #5, shall be increased to Prime Rate plus 1.25%.

**6.2 Full Co-Operation**

During the Forbearance Period, each of the Credit Parties shall cooperate fully with the Lender, including, without limitation, by providing promptly all requested information, and by providing the Lender full access to the books, records, property, assets and personnel of the Credit Parties wherever they may be situated and in whatever medium they may be recorded, at the request of and at times convenient to any such party, acting reasonably, which right of access shall include the right to inspect and appraise such property and assets.

### 6.3 Payment and Other Obligations

Each of the Credit Parties hereby covenants and agrees with the Lender to reimburse the Lender for all reasonable expenses, including, without limitation, actual legal and other professional expenses that the Lender has incurred or will incur arising out of its dealings with any of the Credit Parties and in the protection, preservation and enforcement of the Security and/or the Guarantees, as applicable, including, without limitation, the actual fees and expenses of the Lender's solicitors, Aird & Berlis LLP (the "**Professional Expenses**"), and that the Professional Expenses shall be for the account of the Borrower and shall be paid by the Borrower upon delivery to the Borrower of invoices evidencing the Professional Expenses, or payment will otherwise be made by the Lender for later repayment by the Borrower by no later than the expiration or termination of the Forbearance Period. Nothing in this Agreement shall derogate from the Credit Parties' obligation to pay for all the Professional Expenses or shall constitute a cap on Professional Expenses.

### 6.4 Marketing and Sale Efforts

#### *2th Dental @ Fort York*

- (a) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender any executed agreement of purchase and sale (a "**Fort York Sale Agreement**") with respect to the sale of the 2th Clinic, Inc. Dental @ Fort York practice located at 129 Fort York Blvd, Toronto, Ontario (the "**Fork York Practice**") reflecting a purchase price and terms satisfactory to the Lender.

#### *2th Dental @ St Clair / Bathurst*

- (b) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender a copy of an executed agreement of purchase and sale (a "**Bathurst Sale Agreement**") with respect to the 2th Dental @ St Clair/Bathurst practice located at 1500 Bathurst St., Unit 2, Toronto, Ontario (the "**Bathurst Practice**"), reflecting a purchase price in the amount of not less than \$1,800,000, subject to usual adjustments, full sales proceeds (after closing costs) to be directed to the Lender upon closing, scheduled to be on or before February 13, 2023, to permanently reduce outstanding amounts owing under credit facilities number 0002-6931-655, 0002-6930-089 and 0002-6929-643;

#### *2th Dental @ Glenashton*

- (c) Within two (2) business days of receipt, the Borrower hereby agrees to deliver to the Lender a copy of a signed letter of intent or offer to purchase the 2th Dental @ St Glenashton practice located at 2165 Grosvenor St. Oakville, Ontario (the "**Glenashton Practice**") and reflecting a purchase price in the amount of at least \$925,000, full sales proceeds (after closing costs) to be directed to the Lender upon closing to repay the outstanding credit facility no. 0002-6929-950.
- (d) The Borrower hereby agrees, promptly following receipt of same, deliver to the Lender confirmation that the proposed purchaser has completed its due diligence

and that it will proceed with the sale transaction, and deliver an executed agreement of purchase and sale with respect to the sale of the Glenashton Practice, subject to terms satisfactory to the Lender (a “**Glenashton Sale Agreement**”).

- (e) Within two (2) business days of receipt of same, agrees to deliver to the Lender a copy of the executed Glenashton Agreement.

***Pinnacle Investment Funds***

- (f) Pinnacle hereby agrees to direct or pay over to the Lender any and all funds raised from investments to be applied against (A) any shortfall in the repayment of the Indebtedness after application of any sale proceeds or refinancing funds obtained by the Borrower as contemplated herein, (ii) to repay any remaining balance owing under the overdraft credit facility (loan no. 0002-1760-447), and (ii) any amounts owing under the corporate Mastercard credit facility.

**6.5 Additional Covenants**

For the duration of the Forbearance Period, each of the Credit Parties hereby covenants and agrees with the Lender as follows:

- (a) By no later than 5:00 p.m. on December 31, 2022, the Borrower shall deliver or cause to be delivered to the Lender the following:
  - (i) copies of the 2021 notices of assessment issued by Canada Revenue Agency (“**CRA**”) for each of Brian Holland and Dr. Mislav Pavelic;
  - (ii) a completed and signed copy of the personal financial summary, on Lender standard form, for Dr. Mislav Pavelic; and
  - (iii) a copy of Pinnacle’s most recent monthly investment statements setting out the list of current investments and/or funds currently held;
- (b) the Borrower will indefeasibly repay the Indebtedness in full on or before the expiry of the Forbearance Period;
- (c) the Borrower shall not open or maintain any other banking accounts with any institution other than its current financial institution without the Lender’s prior written consent;
- (d) by no later than March 31, 2023, the Borrower shall deliver to the Lender copies of the CRA notice of assessments for fiscal year 2021 with respect to each of Corporate Credit Parties;
- (e) each of the Corporate Credit Parties shall maintain its corporate existence as a valid and subsisting entity and shall not merge, amalgamate or consolidate with any other corporation, except with the Lender’s prior written consent;

- (f) except as specifically provided for herein or as otherwise waived in writing by the Lender, each of the Credit Parties shall comply in all respects with all terms and provisions of the Financing Agreements and this Agreement and nothing herein derogates therefrom;
- (g) the Borrower shall deliver copies of all refinancing proposals (ie. letters of intent, commitment letters, term sheets), including in connection with the sale of any of the dental practices, within two (2) days of receipt of same by the Borrower;
- (h) the Borrower shall comply with any and all cash management obligations and obligations to maintain insurance in accordance with the Financing Agreements;
- (i) the Borrower shall be responsible for paying the fees and out of pocket expenses of the Lender and, if the Borrower fails to do so, the amount of such fees and expenses will be added to the Indebtedness;
- (j) none of the Corporate Credit Parties shall, without the prior written consent of the Lender, make any distribution or payment to any person, corporation or other entity who does not deal with any of the Credit Parties at arm's length (as such term is defined in the *Income Tax Act* (Canada)), except for:
  - (i) payments of salary at levels not in excess of those now in effect;
  - (ii) payments to any landlord which are commercially reasonable and in accordance with the current lease agreement for the premises leased from such landlord; and
  - (iii) payments to ordinary suppliers arising in the ordinary course of the business of the Corporate Credit Parties that are commercially reasonable and are competitive with payments that would be required to be paid to a comparable supplier acting at arm's length;
- (k) the Credit Parties shall not, without the prior written consent of the Lender, make any loans or advance money or property to any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties) or invest in (by capital contribution, dividend or otherwise) or purchase or repurchase the shares or indebtedness or all or a substantial part of the assets or property of any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties), or guarantee, assume, endorse, or otherwise become responsible (directly or indirectly) for the indebtedness, performance, obligations or dividends of any other party (including, without limitation, any subsidiary or affiliate of the Corporate Credit Parties) or agree to do any of the foregoing, other than as required by the Financing Agreements;
- (l) none of the Credit Parties shall encumber, mortgage, hypothec, pledge or otherwise cause any form of lien or charge on any of their property or assets, including intangible and contingent assets, without the prior written consent of the Lender;

- (m) none of the Credit Parties shall, without the prior written consent of the Lender, repay any principal or interest which may be owing or become owing in connection with any shareholder or related party loan or any loan made by any party subordinate to the Lender;
- (n) none of the Corporate Credit Parties shall, without the prior written consent of the Lender, make any distribution (whether by dividend or otherwise) or effect any return of capital on any investment made by any shareholder, or any party related to any shareholder, or any of the Credit Parties;
- (o) none of the Credit Parties shall, in any case (other than as permitted in Section 6.4(h) hereof) make any payment to any party if the financial position of any of the Credit Parties after making such payment would put any of the Credit Parties in a position of breach or default of its obligations under this Agreement or constitute an Intervening Event;
- (p) each of the Credit Parties shall keep current at all times all obligations that constitute priority obligations, meaning those obligations payable in priority to the obligations owed to the Lender (“**Priority Payables**”), including wages and remittances required to be made for taxes and other liabilities owed to federal, provincial and municipal governments, including, without limitation, property taxes and money owed in respect of employee source deductions pursuant to the *Canada Pension Plan Act* (Canada), *Employment Insurance Act* (Canada) and *Income Tax Act* (Canada), and in respect of HST, and the Credit Parties shall provide on a regular basis evidence of such payments satisfactory to the Lender;
- (q) each of the Credit Parties shall, forthwith upon request, take all steps required to cure any deficiencies, if any, in the Security and the Guarantees;
- (r) each of the Credit Parties shall give to the Lender prompt notice of any litigation, arbitration or administrative proceeding before or of any court, arbitration, tribunal or governmental authority affecting any of the assets, property or undertakings of any of the Credit Parties; and
- (s) unless otherwise agreed to herein, the Credit Parties shall not do any act or thing which may have the effect of defeating or delaying the enforcement of the Lender’s rights and remedies under the Security.

Each of the Credit Parties represents and warrants to the Lender that all the obligations of the Corporate Credit Parties with respect to employee wages and vacation pay are current as of the date of this Agreement and shall remain current throughout the Forbearance Period.

**ARTICLE 7**  
**INTERVENING EVENTS**

**7.1 Intervening Events**

Upon the happening of any one of the following events (each an “**Intervening Event**”), the Forbearance Period shall forthwith terminate:

- (a) any representation, warranty or statement made by any of the Credit Parties in this Agreement or any other agreement with the Lender was untrue or incorrect when made or becomes untrue or incorrect;
- (b) any of the Credit Parties fails to perform or comply with any of its covenants or obligations contained in this Agreement, any of the Financing Agreements or in any other agreement or undertaking with the Lender other than as expressly waived in writing by the Lender;
- (c) any of the Credit Parties fails to maintain and keep current payments of Priority Payables, which may result in any claim ranking in priority or *pari passu* to the claim of the Lender;
- (d) any of the Credit Parties defaults in timely payment of rentals or other charges due as rent in respect of any leased premises or equipment, subject to written accommodation between by the landlord;
- (e) any of the Credit Parties defaults in the performance of any obligation under any of the Financing Agreements after the date hereof;
- (f) the occurrence of any other event which, in the opinion of the Lender, acting reasonably, may materially and adversely impact the priority or enforceability of the Security or the Guarantees, or the realizable value of the collateral subject to such Security;
- (g) the Security ceases to constitute a first-ranking, valid and perfected security interest against all assets of the Corporate Credit Parties;
- (h) the loss, damage, destruction or confiscation of any material property or assets of the Credit Parties, unless upon such event, the Credit Parties pay to the Lender forthwith such amount (whether from insurance proceeds or otherwise) as the Lender, in its sole and absolute discretion, determines is satisfactory, or applies any insurance proceeds received by the Borrower from its insurer to replace such lost or damaged property or assets;
- (i) any person takes possession of any property of the Credit Parties by way of or in contemplation of any enforcement of security, or a distress or execution or similar process levied or enforced against any property of the Credit Parties;

- (j) any change of ownership, control or management of any of the Corporate Credit Parties, without the Lender's prior written consent;
- (k) in the Lender's sole opinion, a material adverse change occurs in the business, affairs, financial condition, operation or ownership of any of the Credit Parties arising for any reason whatsoever;
- (l) any of the Corporate Credit Parties fails to maintain current insurance or other material contracts;
- (m) without the Lender's prior written consent, any of the Corporate Credit Parties ceases to carry on business in the normal course in the same manner as such business has previously been carried on or as specifically amended by this Agreement or commits or threatens to commit an act of bankruptcy;
- (n) without the prior written consent of the Lender, any of the Credit Parties takes any action or commences any proceeding or any action or proceeding is taken or commenced by another person or persons against any of the Credit Parties relating to the reorganization, readjustment, compromise or settlement of the debts owed by any of the Credit Parties to its creditors where such reorganization, readjustment, compromise or settlement shall affect a substantial portion of any of the Credit Parties' assets or property, including, without limitation, the filing of a Notice of Intention to Make a Proposal under the BIA, the making of an order under the *Companies' Creditors Arrangement Act* (Canada) or the commencement of any similar action or proceeding by any party other than the Lender;
- (o) the filing of an application for a bankruptcy order against any of the Credit Parties pursuant to the provisions of the BIA by any party other than the Lender;
- (p) any of the Corporate Credit Parties fails to meet its payroll obligations or does not have sufficient funds available to fund its payroll obligations, or fails to produce evidence, satisfactory to the Lender, acting reasonably, of the availability of such funds to the Lender;
- (q) at any time any of the Credit Parties fails to operate and maintain sufficient funds to cover any and all items attempting to clear any of their bank accounts;
- (r) any of the Credit Parties fails to meet any of its reporting requirements in accordance with section 5.1 of this Agreement;
- (s) the Borrowers fail to repay the Indebtedness on or before the expiry of the Forbearance Period; or
- (t) the expiration or termination of the Forbearance Period

## **ARTICLE 8 GENERAL PROVISIONS**

### **8.1 Forbearance Fee**

In consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender a forbearance fee of \$5,000 (the “**Forbearance Fee**”). Such forbearance will be fully earned and payable upon execution of this Agreement. The Borrowers hereby authorize the Lender to debit the Forbearance Fee from their accounts maintained with the Lender. The Forbearance Fee is owing in addition to all other fees, interest, costs and expenses payable in connection with the Financing Agreements or this Agreement, and, to the extent not paid, shall form part of the Indebtedness and shall be secured by any and all of the Security.

### **8.2 Effect of this Agreement**

Except as modified pursuant hereto, no other changes or modifications to the terms of the Financing Agreements are intended or implied and in all other respects, the terms of the Financing Agreements are confirmed.

### **8.3 Further Assurances**

The parties hereto shall execute and deliver such supplemental documents and take such supplemental action as may be necessary or desirable to give effect to the provisions and purposes of this Agreement, all at the sole expense of the Credit Parties.

### **8.4 Binding Effect**

This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and its respective successors and permitted assigns.

### **8.5 Survival of Representations and Warranties**

All representations and warranties made in this Agreement or any other document furnished in connection herewith shall survive the execution and delivery of this Agreement and such other document delivered in connection herewith, and no investigation by the Lender or any closing shall affect the representations and warranties or the rights of the Lender to rely upon such representations and warranties.

### **8.6 Confidentiality**

The Lender and its professional advisors shall be at liberty, in their sole discretion, to disclose any information obtained from the Credit Parties to any party or parties in order to recover amounts owed to the Lender by the Credit Parties.

### **8.7 Release**

In consideration of the agreements of the Lender contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Credit

Parties, on their behalf and on behalf of their successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably release, remise and forever discharge the Lender and each of its successors and assigns, participants, affiliates, subsidiaries, branches, divisions, predecessors, directors, officers, attorneys, employees, lenders and other representatives and advisors (the Lender and all such other persons being hereinafter referred to collectively as the “**Releasees**” and individually as a “**Releasee**”), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defences, rights of set-off, demands and liabilities whatsoever (individually, a “**Claim**” and collectively, “**Claims**”) of every name and nature, known or unknown, suspected or unsuspected, both arising at law and in equity, which any of the Credit Parties or any of their successors, assigns or other legal representatives may now own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, including, without limitation, for or on account of, or in relation to, or in any way in connection with, any of the Financing Agreements or transactions thereunder or related thereto.

#### **8.8 No Novation**

This Agreement will not discharge or constitute novation of any debt, obligation, covenant or agreement contained in the Credit Agreement or any of the Financing Agreements but the same shall remain in full force and effect save to the extent amended by this Agreement.

#### **8.9 Notice**

Without prejudice to any other method of giving notice, any notice required or permitted to be given to a party pursuant to this Agreement will be conclusively deemed to have been received by such party on the day of the sending of the notice by prepaid private courier to such party at its, his or her address noted below or by email at its, his or her email address noted below. Any party may change its, his or her address for service or address by notice given in the foregoing manner.

Notice to the Credit Parties shall be sent to:

c/o 2th, Inc.  
Unit 2 – 1500 Bathurst Street  
York, Ontario  
M5P 3L3

Attention: Brian Holland Dr. Pavelic  
Email: [brian.holland@pinnacleridgecapitalgroup.com](mailto:brian.holland@pinnacleridgecapitalgroup.com) / [sherwaydental@rogers.com](mailto:sherwaydental@rogers.com)

with a copy to:

Robert B. MacLellan Canada Law  
40 University Avenue, Suite 1003  
Toronto, ON M5J 1T1

Attention: Rob MacLellan  
Email: [rmaclellan@rbmcanadalaw.com](mailto:rmaclellan@rbmcanadalaw.com)

Notice to the Lender shall be sent to:

Bank of Montreal  
100 King Street West, 19<sup>th</sup> Floor  
Toronto, Ontario  
M5X 1A1

Attention: Michaela Wolf  
Email: [Michaela.Wolf@bmo.com](mailto:Michaela.Wolf@bmo.com)

with a copy to:

Aird & Berlis LLP  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

Attention: Kyle Plunkett  
Email: [kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com)

## **8.10 Binding and Enforceable Agreement**

In order for this Agreement to be binding and enforceable, it shall be signed by each of the Credit Parties by no later than 4:00 p.m. (Toronto time) on December 20, 2022.

## **8.11 Execution in Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and which taken together will be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or portable document format (“PDF”) form

and the parties adopt any signatures received by a receiving fax machine or by emailed PDF as original signatures of the parties, provided, however, that any party providing its signature in such manner will promptly forward to the other party an original of the signed copy of the Agreement which was so faxed or emailed.

**8.12 No Set Off, etc.**

Each of the Credit Parties reaffirms that the Financing Agreements remain in full force and effect as amended hereby and acknowledges and agrees that there is no defence, set off or counterclaim of any kind, nature or description to its obligations arising under the Financing Agreements as a result of the execution of this Agreement or otherwise.


**8.13 Independent Legal Advice, etc.**

Each of the Credit Parties acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation, independent legal advice; (b) it fully understands the nature and effect of this Agreement; and (c) this Agreement has been duly executed voluntarily.

*[The remainder of this page is intentionally left blank.]*

**IN WITNESS WHEREOF**, the parties hereto have entered into this Agreement as of the date first above mentioned.

**BANK OF MONTREAL**

Per:  Type text here  
Name: Michaela Wolf  
Title: Senior Relationship Manager

**2TH, INC.**

By: Brian Holland  
Name: Brian Holland  
Title: President

**DR. PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: Mislav Pavelic  
Name:  
Title:

**DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

By: Mislav Pavelic  
Name:  
Title:

**PINNACLE RIDGE CAPITAL GROUP II, LP**

By: Brian Holland  
Name: Brian Holland  
Title: President

**2652714 ONTARIO INC.**

By: Mislav Pavelic  
Name: Mislav Pavelic DDS  
Title: principal

\_\_\_\_\_  
Witness

Mislav Pavelic  
**DR. MISLAV PAVELIC**

Stephanie Holland  
Witness Stephanie Holland

Brian Holland  
**MR. BRIAN HOLLAND**

**SCHEDULE "A"**  
**THE "GUARANTEES"**

1. Guarantee Agreement executed by Pavelic and Holland, jointly and severally, in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
2. Guarantee Agreement executed by DPC in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
3. Guarantee Agreement executed by Pavelic DPC in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
4. Guarantee Agreement executed by Pinnacle in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.
5. Guarantee Agreement executed by 265 in favour of the Lender, which is limited to the principal sum of \$6,495,000 together with interest thereon from the date of demand for payment, dated February 25, 2019.

**SCHEDULE “B”  
THE “SECURITY”**

1. General Security Agreement granted by the Borrower in favour of the Lender dated February 25, 2019.
2. General Security Agreement granted by DPC in favour of the Lender dated February 25, 2019.
3. General Security Agreement granted by Pavelic DPC in favour of the Lender dated February 25, 2019.
4. General Security Agreement granted by Pinnacle in favour of the Lender dated February 25, 2019.
5. General Security Agreement granted by 265 in favour of the Lender dated February 25, 2019.
6. Assignment of Fire Insurance executed by the Borrower in favour of the Lender dated February 25, 2019.
7. Assignment of Fire Insurance executed by Pavelic DPC in favour of the Lender dated February 25, 2019.
8. Assignment of Life Insurance Policy on the life of Pavelic in favour of the Lender.

This is Exhibit "O" referred to in the Affidavit of Michaela Wolf s  
worn before me at Toronto, Ontario, this 3<sup>rd</sup> day of October, 2023.



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*Calvin Peter Horsten, a*

*Comissioner, etc., Province of Ontario, while a Student-at-Law.*

*Expires June 14, 2025.*

September 20, 2023

**DELIVERED VIA REGULAR MAIL AND  
 VIA EMAIL** [drmislavpavelic@gmail.com](mailto:drmislavpavelic@gmail.com)  
[brian.holland@pinnacle Ridge Capital Group.com](mailto:brian.holland@pinnacle Ridge Capital Group.com)

**2th, Inc.**  
 962 Royal York Road  
 Toronto, ON M8X 2E7

**Attention: Mislav Pavelic  
 Brian Holland**

Dear Sirs:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

We are the lawyers for BMO in connection with its lending arrangements with the Debtor.

The Debtor is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”) and as supplemented by a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”).

The following amounts are owing by the Debtor to BMO for principal and interest pursuant to the Loan Agreement as of September 18, 2023:

<b>Loan</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Overdraft Lending C/A 0002-1760-447	\$534,561.87	\$2,213.00	\$536,774.87
Demand Loan Non- Revolving 0002-6929-643	\$1,121,064.80	\$4,671.62	\$1,125,736.42
Demand Loan Non- Revolving 0002-6931-655	\$853,049.06	\$3,559.47	\$856,608.53
Corporate MasterCard	\$20,006.42	-	\$20,006.42

<b>Loan</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Canada Emergency Business Account	\$60,000.00	-	\$60,000.00
ODL Fee	\$70.00	-	\$70.00
Plan Fees	\$22.50	-	\$22.50
	<b>\$2,588,774.65</b>	<b>\$10,444.09</b>	<b>\$2,599,218.74<sup>1</sup></b>

As further outlined in BMO's Exit Letter issued to you on November 9, 2022, the Debtor was, and continues to be, in default under the Loan Agreement, none of which defaults have been waived by BMO. Since then, there have been additional defaults, including, without limitation:

1. Dr. Pavelic failing to comply with his reporting requirements prescribed in the Forbearance Agreement; and
2. the "Forbearance Period" under the Forbearance Agreement having expired and the Debtor failing to repay the Lender in full,

all of which entitles BMO to immediately exercise its rights and remedies under the Loan Agreement and the Forbearance Agreement.

The Indebtedness and other obligations of the Debtor in connection with the Loans under the Loan Agreement are secured by, among other things, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor's present and after-acquired personal property (the "**Security**").

Accordingly, on behalf of BMO, we hereby make formal demand for payment of **\$2,599,218.74** together with any and all accruing interest and any and all costs and expenses (including, without limitation, any additional legal and other professional fees) incurred by BMO (collectively, the "**Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement and any other agreement, as applicable.

If payment of the Indebtedness is not received immediately, BMO shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the appointment of an interim receiver, receiver, or receiver and manager of the Debtor, or any other proceedings that are necessary, in which case BMO will also seek all costs it incurs in doing so.

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<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.

On behalf of BMO, we also enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”). BMO hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

AIRD & BERLIS LLP

A handwritten signature in blue ink, appearing to read 'Kyle Plunkett', with a horizontal line underneath.

Kyle Plunkett  
e.c. Client  
Matilda Lici

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**  
DELIVERED BY COURIER AND EMAIL

To: **2th, Inc.**  
962 Royal York Road  
Toronto, ON M8X 2E7  
*Insolvent company / person*

**TAKE NOTICE** that:

1. Bank of Montreal ("**BMO**"), a secured creditor, intends to enforce its security on the property, assets and undertakings of 2th, Inc. (the "**Debtor**"), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal and real property of the Debtor.
2. The security that is to be enforced (the "**Security**") is in the form of, *inter alia*, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor's present and after-acquired personal property.
3. As of September 18, 2023, the total amount of indebtedness secured by the Security is **\$2,599,218.74** in principal and interest, plus accruing interest and recovery costs of BMO (including, without limitation, BMO's legal and other professional fees).
4. BMO will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 20<sup>th</sup> day of September 2023.

**BANK OF MONTREAL**  
by its lawyers, **Aird & Berlis LLP**



Per:

\_\_\_\_\_  
Kyle Plunkett

Brookfield Place, Suite 1800  
181 Bay Street, Toronto, ON M5J 2T9  
Tel: 416-863-1500/Fax: 416-863-1515

**Note:** This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.  
54322848.1

**AIRD BERLIS**





**Kyle Plunkett**  
 Direct: 416.865.3406  
 E-mail: kplunkett@airdberlis.com

September 20, 2023

**DELIVERED VIA COURIER AND  
 VIA EMAIL: [drmislavpavelic@gmail.com](mailto:drmislavpavelic@gmail.com)**

**2652714 Ontario Inc.**  
 33 Rothsay Avenue  
 Etobicoke, ON M8Z 4M2

**Attn: Dr. Mislav Pavelic**

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

We are the lawyers for BMO in connection with its lending arrangements with the Debtor.

The Debtor is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”) and as supplemented by a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”).

2652714 Ontario Inc. became a guarantor of the obligations of the Debtor pursuant to a guarantee dated February 25, 2019 in the amount of \$6,495,000.00.

The following amounts are owing by the Debtor to BMO for principal and interest pursuant to the Loan Agreement as of September 18, 2023:

<b>Loan</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Overdraft Lending C/A 0002-1760-447	\$534,561.87	\$2,213.00	\$536,774.87
Demand Loan Non- Revolving 0002-6929-643	\$1,121,064.80	\$4,671.62	\$1,125,736.42
Demand Loan Non- Revolving 0002-6931-655	\$853,049.06	\$3,559.47	\$856,608.53

Loan	Principal	Interest	Total
Corporate MasterCard	\$20,006.42	-	\$20,006.42
Canada Emergency Business Account	\$60,000.00	-	\$60,000.00
ODL Fee	\$70.00	-	\$70.00
Plan Fees	\$22.50	-	\$22.50
	\$2,588,774.65	\$10,444.09	<b>\$2,599,218.74<sup>1</sup></b>

The Debtor is in default under the Loan Agreement, none of which defaults have been waived by BMO, and BMO is entitled to immediately exercise its rights and remedies under the Loan Agreement and the Forbearance Agreement.

Accordingly, and without prejudice to any further remedies or rights, on behalf of BMO, we hereby make formal demand for payment of \$2,599,218.74 together with accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by BMO (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement and any other agreement, as applicable.

If payment of the Indebtedness is not received immediately, BMO shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the commencement of legal proceedings against you in the Ontario Superior Court of Justice, in which case BMO will also seek all costs it incurs in doing so.

On behalf of BMO, we also enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”). BMO hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

---

<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**  
DELIVERED BY COURIER AND EMAIL

To: **2652714 Ontario Inc.**  
33 Rothsay Avenue  
Etobicoke, ON M8Z 4M2  
*Insolvent company / person*

**TAKE NOTICE** that:

1. Bank of Montreal (“**BMO**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of 2652714 Ontario Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal and real property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor’s present and after-acquired personal property.
3. As of September 18, 2023, the total amount of indebtedness secured by the Security is **\$2,599,218.74** in principal and interest, plus accruing interest and recovery costs of BMO (including, without limitation, BMO’s legal and other professional fees).
4. BMO will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 20<sup>th</sup> day of September 2023.

**BANK OF MONTREAL**  
by its lawyers, **Aird & Berlis LLP**

Per:

\_\_\_\_\_  
Kyle Plunkett

Brookfield Place, Suite 1800  
181 Bay Street, Toronto, ON M5J 2T9  
Tel: 416-863-1500/Fax: 416-863-1515

**Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.**

52991982.4





**Kyle Plunkett**  
 Direct: 416.865.3406  
 E-mail: kplunkett@airdberlis.com

September 20, 2023

**DELIVERED VIA COURIER AND  
 VIA EMAIL: [drmislavpavelic@gmail.com](mailto:drmislavpavelic@gmail.com)**

**Dr Pavelic Dentistry Professional  
 Corporation**  
 25 The West Mall, 253  
 Etobicoke, ON M9C 1B8

**Attn: Dr. Mislav Pavelic**

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

We are the lawyers for BMO in connection with its lending arrangements with the Debtor.

The Debtor is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”) and as supplemented by a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”).

Dr Pavelic Dentistry Professional Corporation became a guarantor of the obligations of the Debtor pursuant to a guarantee dated February 25, 2019 in the amount of \$6,495,000.00.

The following amounts are owing by the Debtor to BMO for principal and interest pursuant to the Loan Agreement as of September 18, 2023:

<b>Loan</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Overdraft Lending C/A 0002-1760-447	\$534,561.87	\$2,213.00	\$536,774.87
Demand Loan Non- Revolving 0002-6929-643	\$1,121,064.80	\$4,671.62	\$1,125,736.42

Loan	Principal	Interest	Total
Demand Loan Non- Revolving 0002-6931-655	\$853,049.06	\$3,559.47	\$856,608.53
Corporate MasterCard	\$20,006.42	-	\$20,006.42
Canada Emergency Business Account	\$60,000.00	-	\$60,000.00
ODL Fee	\$70.00	-	\$70.00
Plan Fees	\$22.50	-	\$22.50
	\$2,588,774.65	\$10,444.09	<b>\$2,599,218.74<sup>1</sup></b>

The Debtor is in default under the Loan Agreement, none of which defaults have been waived by BMO, and BMO is entitled to immediately exercise its rights and remedies under the Loan Agreement and the Forbearance Agreement.

Accordingly, and without prejudice to any further remedies or rights, on behalf of BMO, we hereby make formal demand for payment of \$2,599,218.74 together with accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by BMO (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement and any other agreement, as applicable.

If payment of the Indebtedness is not received immediately, BMO shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the commencement of legal proceedings against you in the Ontario Superior Court of Justice, in which case BMO will also seek all costs it incurs in doing so.

On behalf of BMO, we also enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act (Canada)* (the “**BIA Notice**”). BMO hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**  
DELIVERED BY COURIER AND EMAIL

To: **Dr Pavelic Dentistry Professional Corporation**  
25 The West Mall, 253  
Etobicoke, ON M9C 1B8  
*Insolvent company / person*

**TAKE NOTICE** that:

1. Bank of Montreal (“**BMO**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of Dr Pavelic Dentistry Professional Corporation (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal and real property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor’s present and after-acquired personal property.
3. As of September 18, 2023, the total amount of indebtedness secured by the Security is **\$2,599,218.74** in principal and interest, plus accruing interest and recovery costs of BMO (including, without limitation, BMO’s legal and other professional fees).
4. BMO will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 20<sup>th</sup> day of September 2023.

**BANK OF MONTREAL**  
by its lawyers, **Aird & Berlis LLP**

Per:

\_\_\_\_\_  
Kyle Plunkett

Brookfield Place, Suite 1800  
181 Bay Street, Toronto, ON M5J 2T9  
Tel: 416-863-1500/Fax: 416-863-1515

**Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.**

52991982.4





**Kyle Plunkett**  
 Direct: 416.865.3406  
 E-mail: kplunkett@airdberlis.com

September 20, 2023

**DELIVERED VIA COURIER AND  
 VIA EMAIL: [brian.holland@pinnaclebridgcapitalgroup.com](mailto:brian.holland@pinnaclebridgcapitalgroup.com)**

**Mr. Brian Holland**  
 962 Royal York Road  
 Toronto, ON M8X 2E7

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

We are the lawyers for BMO in connection with its lending arrangements with the Debtor.

The Debtor is indebted to BMO with respect to certain loans and credit facilities (collectively, the “**Loans**”) made available by BMO to the Debtor pursuant to and under the terms of a Letter of Agreement dated February 20, 2019 (as amended, replaced, restated or supplemented from time to time, the “**Loan Agreement**”) and as supplemented by a Forbearance Agreement dated December 23, 2022 (as amended, the “**Forbearance Agreement**”).

In your personal capacity, you became a guarantor of the obligations of the Debtor pursuant to a guarantee dated February 25, 2019 in the amount of \$6,495,000.00.

The following amounts are owing by the Debtor to BMO for principal and interest pursuant to the Loan Agreement as of September 18, 2023:

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Loan	Principal	Interest	Total
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The Debtor is in default under the Loan Agreement, none of which defaults have been waived by BMO, and BMO is entitled to immediately exercise its rights and remedies under the Loan Agreement and the Forbearance Agreement.

Accordingly, and without prejudice to any further remedies or rights, on behalf of BMO, we hereby make formal demand for payment of \$2,599,218.74 together with accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by BMO (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement and any other agreement, as applicable.

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Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

52991982.4

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<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.





Kyle Plunkett  
Direct: 416.865.3406  
E-mail: kplunkett@airdberlis.com

September 20, 2023

DELIVERED VIA COURIER AND  
VIA EMAIL: [drmislavpavelic@gmail.com](mailto:drmislavpavelic@gmail.com)

**Dr. Mislav Pavelic Dentistry Professional Corporation**  
33 Rothsay Avenue  
Etobicoke, ON M8Z 4M2

**Attn: Dr. Mislav Pavelic**

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

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We are the lawyers for BMO in connection with its lending arrangements with the Debtor.

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Dr. Mislav Pavelic Dentistry Professional Corporation became a guarantor of the obligations of the Debtor pursuant to a guarantee dated February 25, 2019 in the amount of \$6,495,000.00.

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If payment of the Indebtedness is not received immediately, BMO shall take whatever steps it considers necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the commencement of legal proceedings against you in the Ontario Superior Court of Justice, in which case BMO will also seek all costs it incurs in doing so.

On behalf of BMO, we also enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”). BMO hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

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<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**  
DELIVERED BY COURIER AND EMAIL

To: **Dr. Mislav Pavelic Dentistry Professional Corporation**  
33 Rothsay Avenue  
Etobicoke, ON M8Z 4M2  
*Insolvent company / person*

**TAKE NOTICE** that:

1. Bank of Montreal (“**BMO**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of Dr. Mislav Pavelic Dentistry Professional Corporation (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal and real property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor’s present and after-acquired personal property.
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**DATED** at Toronto this 20<sup>th</sup> day of September 2023.

**BANK OF MONTREAL**  
by its lawyers, **Aird & Berlis LLP**

Per: 

\_\_\_\_\_  
Kyle Plunkett

Brookfield Place, Suite 1800  
181 Bay Street, Toronto, ON M5J 2T9  
Tel: 416-863-1500/Fax: 416-863-1515

**Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.**

52991982.4





**Kyle Plunkett**  
 Direct: 416.865.3406  
 E-mail: kplunkett@airdberlis.com

September 20, 2023

**DELIVERED VIA COURIER AND  
 VIA EMAIL: [drmislavpavelic@gmail.com](mailto:drmislavpavelic@gmail.com)**

**Dr. Mislav Pavelic**  
 33 Rothsay Avenue  
 Toronto, ON M8Z 4M2

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

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Corporate MasterCard	\$20,006.42	-	\$20,006.42

# AIRD BERLIS

Loan		Principal	Interest	Total
Canada Business Account	Emergency	\$60,000.00	-	\$60,000.00
ODL Fee		\$70.00	-	\$70.00
Plan Fees		\$22.50	-	\$22.50
		<b>\$2,588,774.65</b>	<b>\$10,444.09</b>	<b>\$2,599,218.74<sup>1</sup></b>

The Debtor is in default under the Loan Agreement, none of which defaults have been waived by BMO, and BMO is entitled to immediately exercise its rights and remedies under the Loan Agreement and the Forbearance Agreement.

Accordingly, and without prejudice to any further remedies or rights, on behalf of BMO, we hereby make formal demand for payment of \$2,599,218.74 together with accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by BMO (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Loan Agreement, and any other agreement, as applicable.

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Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

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<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.





**Kyle Plunkett**  
 Direct: 416.865.3406  
 E-mail: kplunkett@airdberlis.com

September 20, 2023

**DELIVERED VIA COURIER AND  
 VIA EMAIL: [brian.holland@pinnaclebridgcapitalgroup.com](mailto:brian.holland@pinnaclebridgcapitalgroup.com)**

**Pinnacle Ridge Capital Group II, LP**  
 962 Royal York Road  
 Toronto, ON M8X 2E7

**Attn: Brian Holland**

Dear Sir:

**Re: Indebtedness and liabilities of 2th, Inc. (the “Debtor”) to Bank of Montreal (“BMO” or the “Lender”), as guaranteed by each of, *inter alios*, Dr. Mislav Pavelic, Mr. Brian Holland, Dr Pavelic Dentistry Professional Corporation, Dr. Mislav Pavelic Dentistry Professional Corporation, Pinnacle Ridge Capital Group II, LP, and 2652714 Ontario Inc. (each a “Guarantor” and collectively, the “Guarantors”)**

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Yours truly,

AIRD & BERLIS LLP



Kyle Plunkett  
e.c. Client  
Matilda Lici

<sup>1</sup> This amount does not include any accruing interest from and after September 18, 2023, or costs and expenses (including any legal and other professional fees) incurred by BMO from and after September 18, 2023.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**  
DELIVERED BY COURIER AND EMAIL

To: **Pinnacle Ridge Capital Group II, LP**  
962 Royal York Road  
Toronto, ON M8X 2E7  
*Insolvent company / person*

**TAKE NOTICE** that:

1. Bank of Montreal (“**BMO**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of Pinnacle Ridge Capital Group II, LP (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal and real property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*, a general security agreement dated February 25, 2019 from the Debtor, which grants to BMO, among other things, a first-ranking security interest in all of the Debtor’s present and after-acquired personal property.
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4. BMO will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 20<sup>th</sup> day of September 2023.

**BANK OF MONTREAL**  
by its lawyers, **Aird & Berlis LLP**

Per:

\_\_\_\_\_  
Kyle Plunkett

Brookfield Place, Suite 1800  
181 Bay Street, Toronto, ON M5J 2T9  
Tel: 416-863-1500/Fax: 416-863-1515

**Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.**

52991982.4

**BANK OF MONTREAL**  
Applicant

- and -  
**2TH, INC.**  
Respondent

Court File No. CV-23-00707066-00CL

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

**Proceedings commenced at Toronto**

**AFFIDAVIT OF MICHAELA WOLF**  
**(sworn October 3, 2023)**

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Kyle B. Plunkett (LSO # 61044N)**  
Tel: (416) 865-3406  
Fax: (416) 863-1515  
Email: [kplunkett@airdberlis.com](mailto:kplunkett@airdberlis.com)

**Matilda Lici (LSO #79621D)**  
Tel: (416) 865-3428  
Fax: (416) 863-1515  
Email: [mlici@airdberlis.com](mailto:mlici@airdberlis.com)

**Cristian Delfino (LSO #87202N)**  
Tel: (416) 865-7748  
Email: [cdelfino@airdberlis.com](mailto:cdelfino@airdberlis.com)

Lawyers for the Applicant, Bank of Montreal

# TAB 3

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

THE HONOURABLE MADAM ) FRIDAY, THE 13<sup>TH</sup>  
 )  
JUSTICE STEELE ) DAY OF OCTOBER, 2023  
 )

**BANK OF MONTREAL**

Applicant

- and -

**2TH, INC. and DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL  
CORPORATION**

Respondents

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

**ORDER  
(appointing Receiver)**

**THIS MOTION** 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 KSV Restructuring Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of each of 2th, Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Application Record, including the Notice of Application and the Affidavit of Michaela Wolf sworn October 3, 2023 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and all other counsel listed on the counsel slip, no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Matilda Lici sworn October 3, 2023, and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

### **SERVICE**

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

### **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "**Property**").

### **RECEIVER'S POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage dentists, dental hygienists, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000 provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (r) to contact, make any necessary inquiries and obtain information pertaining to the Debtors from the Royal College of Dental Surgeons of Ontario, the Ministry of Health and Long-Term Care, the Ontario Dental Association and any insurance company; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

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

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their respective current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to the Royal College of Dental Surgeons of Ontario, the Ministry of Health and Long-Term Care, the Ontario Dental Association, and any insurance company (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and

continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any client records, including medical records (“**Client Records**”), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

8. **THIS COURT ORDERS** that with respect to Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Client Records; (ii) if necessary, appoint a dentist licensed and qualified to practice in the Province of Ontario to act as custodian (the “**Custodian**”) for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records, except to the extent that supervised access to the Client Records is required to be granted to any Person for any purposes required pursuant to the *Dentistry Act, 1991*, the *Regulated Health Professions Act, 1991*, or any other governing Ontario or Canadian statute that requires such Person, from time to time, to perform certain obligations.

9. **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

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

### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

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

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

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

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

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

### **CONTINUATION OF SERVICES**

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

telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

15. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

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

### **PIPEDA**

17. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such

personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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

19. **THIS COURT ORDERS** that 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 complete custody or control of records of personal health information held by the Debtors for the purposes of PHIPA, unless it is actually in complete custody or control of such records of personal health information.

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

20. **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**

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

#### **RECEIVER'S ACCOUNTS**

22. **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.

23. **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.

24. **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**

25. **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 \$200,000 (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.

26. **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.

27. **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.

28. **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**

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

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

31. **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 Debtors' 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).

### **RETENTION OF LAWYERS**

32. **THIS COURT ORDERS** that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include Aird & Berlis LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists, or may arise.

### **GENERAL**

33. **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.

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

35. **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.

36. **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.

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

38. **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.

39. **THIS COURT ORDERS** that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

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## SCHEDULE "A"

### RECEIVER CERTIFICATE

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

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

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (in such capacities, the "**Receiver**") of the assets, undertakings and properties of 2th, Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation (the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 13<sup>th</sup> day of October, 2023 (the "**Order**") made in an action having Court file number CV-23-00707066-00CL, 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\_\_.

KSV Restructuring Inc., solely in its capacity  
as Receiver of 2th, Inc. and Dr. Mislav Pavelic  
Dentistry Professional Corporation, and not in its  
personal capacity

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

Name:

Title:

**BANK OF MONTREAL**  
Applicant

- and - **2TH, INC.**  
Respondent

Court File No. CV-23-00707066-00CL

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

**Proceedings commenced at Toronto**

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

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**AIRD & BERLIS LLP**

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181 Bay Street, Suite 1800  
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Lawyers for the Applicant, Bank of Montreal

# TAB 4

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

Court File No. — CV-23-00707066-00CL

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

THE HONOURABLE — MADAM ) ~~WEEKDAY~~ FRIDAY, THE # 13<sup>TH</sup>  
JUSTICE — STEELE ) DAY OF ~~MONTH~~ OCTOBER,  
20YR 2023

**PLAINTIFF<sup>†</sup>**

**Plaintiff**

**BANK OF MONTREAL**

**Applicant**

- and -

**DEFENDANT**

**Defendant**

**2TH, INC. and DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL CORPORATION**

**Respondents**

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

~~<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.~~

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

**THIS MOTION** 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]~~ KSV Restructuring Inc. as receiver ~~[and manager]~~ (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ ~~(each of 2th, Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation~~ (collectively, the "~~Debtor~~Debtors") acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the ~~affidavit of [NAME]~~ Application Record, including the Notice of Application and the Affidavit of Michaela Wolf sworn ~~[DATE]~~ October 3, 2023 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ the Applicant, and all other counsel listed on the counsel slip, no one else appearing for ~~[NAME]~~ any other person on the service list, although duly served as appears from the affidavit of service of ~~[NAME]~~ Matilda Lici sworn ~~[DATE]~~ October 3, 2023, and on reading the consent of ~~[RECEIVER'S NAME]~~ KSV Restructuring Inc. to act as the Receiver,

**SERVICE**

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

**APPOINTMENT**

<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.~~

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the ~~Debtor~~Debtors acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof (the "Property").

### RECEIVER'S POWERS

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

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

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.<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;
- (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;

~~<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.~~

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$~~\_\_\_\_\_~~100,000 provided that the aggregate consideration for all such transactions does not exceed \$~~\_\_\_\_\_~~500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

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

~~<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 apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the ~~Debtor~~Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have;
- (r) to contact, make any necessary inquiries and obtain information pertaining to the Debtors from the Royal College of Dental Surgeons of Ontario, the Ministry of Health and Long-Term Care, the Ontario Dental Association and any insurance company; and
- (s) ~~(+)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

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

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of ~~its~~their respective current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to the Royal College of Dental Surgeons of Ontario, the Ministry of Health and Long-Term Care, the Ontario Dental Association, and any insurance company (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise

the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any client records, including medical records (“Client Records”), books, documents, securities, contracts, orders, billing privileges, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. ~~6.~~ **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy

any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

8. **THIS COURT ORDERS** that with respect to Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Client Records; (ii) if necessary, appoint a dentist licensed and qualified to practice in the Province of Ontario to act as custodian (the “Custodian”) for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records, except to the extent that supervised access to the Client Records is required to be granted to any Person for any purposes required pursuant to the *Dentistry Act, 1991*, the *Regulated Health Professions Act, 1991*, or any other governing Ontario or Canadian statute that requires such Person, from time to time, to perform certain obligations.

9. ~~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

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

**NO PROCEEDINGS AGAINST THE ~~DEBTOR~~DEBTORS OR THE PROPERTY**

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

**NO EXERCISE OF RIGHTS OR REMEDIES**

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

**NO INTERFERENCE WITH THE RECEIVER**

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

**CONTINUATION OF SERVICES**

14. ~~12.~~ **THIS COURT ORDERS** that all Persons having oral or written agreements with the ~~Debtor~~Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the ~~Debtor~~Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as

may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor~~Debtors'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~~Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### RECEIVER TO HOLD FUNDS

15. ~~13.~~ **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### EMPLOYEES

16. ~~14.~~ **THIS COURT ORDERS** that all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor~~Debtors'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

17. ~~15.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and

to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~ Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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

19. THIS COURT ORDERS that 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 complete custody or control of records of personal health information held by the Debtors for the purposes of PHIPA, unless it is actually in complete custody or control of such records of personal health information.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

20. ~~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

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

## RECEIVER'S ACCOUNTS

22. ~~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>

23. ~~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.

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

#### **FUNDING OF THE RECEIVERSHIP**

25. ~~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 \$~~\_\_\_\_\_~~ 200,000 (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

<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".~~

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.

26. ~~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.

27. ~~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.

28. ~~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**

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

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

31. 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 Debtors' 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).

#### RETENTION OF LAWYERS

32. THIS COURT ORDERS that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include Aird & Berlis LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists, or may arise.

#### **GENERAL**

33. ~~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.

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

35. ~~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.

36. ~~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.

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

38. ~~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.

39. **THIS COURT ORDERS** that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

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

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

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~KSV Restructuring Inc., the receiver ~~(and manager (in such capacities,~~ the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~of 2th, Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation (the "Debtors") acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 13<sup>th</sup> day of October, ~~20~~2023 (the "Order") made in an action having Court file number CV-23-00707066-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

~~[RECEIVER'S NAME]~~ KSV Restructuring Inc., solely in its capacity as Receiver of ~~the Property~~ 2th, Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation, and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

**BANK OF MONTREAL**  
Applicant

- and -

**2TH, INC.**  
Respondent

Court File No. CV-23-00707066-00CL

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

Proceedings commenced at Toronto

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

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
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Format changes	0
Total changes	297

# TAB 5

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

B E T W E E N :

**BANK OF MONTREAL**

Applicant

- and -

**2TH, INC. and DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL  
CORPORATION**

Respondents

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

**CONSENT TO ACT AS  
COURT-APPOINTED RECEIVER AND MANAGER**

**KSV RESTRUCTURING INC.** hereby consents to act as the court-appointed receiver and manager, without security, over all of the assets, undertakings, and properties of each of the Respondents, 2th Inc. and Dr. Mislav Pavelic Dentistry Professional Corporation, acquired for or used in relation to a business or businesses carried on by the Respondents.

Dated at Toronto, Ontario this 3<sup>rd</sup> day of October, 2023.

**KSV Restructuring Inc.**, solely in its capacity  
as Receiver and not in its personal capacity

Per: 

Name: Bobby Kofman

Title: President and Managing Director

I have authority to bind the Corporation.

**BANK OF MONTREAL**

- and - **2TH, INC. et al.**

Applicant

Respondents

Court File No. CV-23-00707066-00CL

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

**Proceedings commenced at Toronto**

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**CONSENT TO ACT AS**  
**COURT-APPOINTED**  
**RECEIVER AND MANAGER**

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# TAB 6

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

B E T W E E N:

**BANK OF MONTREAL**

Applicant

- and -

**2TH, INC. and DR. MISLAV PAVELIC DENTISTRY PROFESSIONAL  
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**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND  
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*COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

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--	---

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**BANK OF MONTREAL**  
Applicant

- and - **2TH, INC. ET AL.**  
Respondents

Court File No. CV-23-00707066-00CL

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

**Proceedings commenced at Toronto**

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**APPLICANT RECORD OF BANK OF MONTREAL**

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