

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

-and-

BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC.,
BONDFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED,
2032686 ONTARIO LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC.,
950504 ONTARIO INC. AND RALPH AQUINO

Respondents

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

APPLICATION RECORD
(Returnable November 16, 2018)

November 15, 2018

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TO: ATTACHED SERVICE LIST

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R.S.O. 1990, c. C.43, AS AMENDED**

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ONTARIO
SUPERIOR COURT OF JUSTICE
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INDEX

Tab	Document	Page No.
1	Notice of Application	001
2	Unsworn affidavit of Brian Champ	010
A	Unaudited draft consolidated financial statements for Bondfield for fiscal 2017	038
B	Corporate Chart of Bondfield	040
C	Credit Agreement dated July 24, 2017	041

Tab	Document	Page No.
D	Letter Agreement dated July 10, 2018	077
E	Omnibus GSA	079
F	Mortgage documents for 131 Saramia Crescent	099
G	Mortgage documents for 4431 Stouffville Road	136
H	Mortgage documents for 407 Basaltic Road	174
I	Mortgage documents for 3420 Queen Street East	212
J	Summary of Ontario PPSA registrations	250
K	Property registers in respect of the Real Property (131 Saramia Crescent, 4431 Stouffville Road, 407 Basaltic Road, 3420 Queen Street East)	285
L	Cash flow summary of Bondfield for the period from August 7, 2018 to October 26, 2018	300
M	List of active construction liens as of November 6, 2018	304
N	“Contractor woes stall Ontario public projects” (Globe & Mail, September 10, 2018)	313
O	Letter agreement dated July 17, 2018	318
P	Demand Letters and 244s	321
Q	Letter from CRA dated October 12, 2018	378
3	Draft Receivership Order	382

Tab	Document	Page No.
4	Blackline to Model Order (Receivership Application)	400
5	Consent of KSV to act as Receiver	420

TAB 1

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SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

NOTICE OF APPLICATION

TO THE RESPONDENTS:

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

THIS APPLICATION will come on for hearing before a Judge presiding over the Commercial List at **9:30 am on November 16, 2018**, at 330 University Avenue, Toronto, Ontario.

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

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

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

Date: November 15, 2018

Issued by: _____
Local registrar

Address of court office: 330 University Avenue
Toronto, Ontario M5G 1E7

APPLICATION

1. All terms used and not otherwise defined herein shall have the meaning ascribed to them in the affidavit of Brian Champ sworn November 15, 2018 (the “**Champ Affidavit**”)
2. Bridging Finance Inc. (the “**Applicant**”), as agent for 2665405 Ontario Inc., makes an application for an Order substantially in the form attached at Tab 3 of the Application Record:
 - a) abridging the time for service of the Notice of Application and the Application Record and dispensing with further service thereof;
 - b) appointing KSV Kofman Inc. (“**KSV**”) as receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Bondfield Construction Company Limited (“**BCCL**” and, together with its affiliates that are indebted to the Applicant, “**Bondfield**” or the “**Company**”), 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing (“**Forma-Con**”), Bondfield Construction Equipment Ltd. (“**BCEL**”), 1087507 Ontario Limited (“**1087**”), 1291546 Ontario Inc. (“**1291546**”), 1291547 Ontario Inc. (“**1291547**”), 352021 Ontario Limited (“**3520**”), 2032686 Ontario Limited, operating as BMC Masonry (“**BMC**”), Bondfield Group Inc. (“**BGI**”), 834076 Ontario Inc. (“**8340**”) and 950504 Ontario Inc. (“**9505**”), as well as the real property known municipally as 131 Saramia Crescent in Vaughan, Ontario (collectively, the “**Property**”), 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**”);
 - c) granting a charge over the Property in favour of the Receiver and the Receiver’s counsel to secure their fees and disbursements in respect of these proceedings on the terms set out in the draft Order filed (the “**Receiver’s Charge**”); and
 - d) such further and other relief as counsel may request and this Court may permit.

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

Bondfield's Indebtedness to the Applicant and the Applicant's Security

- a) Bondfield is currently indebted to the Applicant (the “**Indebtedness**”) under a Credit Agreement dated as of July 24, 2017 between BCCL, as borrower, and the Applicant, as agent for certain lenders, as amended by letter agreement dated July 10, 2018 (the “**Credit Agreement**”);
- b) the obligations of BCCL under the Credit Agreement are guaranteed by Forma-Con, BCEL, 1087, 1291546, 1291547, 3520, BMC, BGI, 8340 and 9505 (collectively, the “**Corporate Guarantors**”), as well as by John Aquino, Ralph Aquino and Steven Aquino as personal guarantors;
- c) the current amount of the Indebtedness owing by Bondfield to the Applicant is approximately \$85 million;
- d) the Indebtedness is secured by a first-ranking security interest in favour of the Applicant in substantially all of the assets of Bondfield, including by, among other things:
 - i) an Omnibus General Security Agreement dated as of July 24, 2017 (the “**Omnibus GSA**”) among the Applicant, BCCL and the Corporate Guarantors, granting the Applicant a security interest in substantially all of the property, assets and undertaking of BCCL and the Corporate Guarantors;
 - ii) registered charges/mortgages and accompanying demand debentures and assignments of rents from each of Ralph Aquino, Forma-Con and 1087 in respect of the Real Property;
 - iii) unlimited personal guarantees from each of Steven Aquino and John Aquino; and

- iv) a limited recourse guarantee from Ralph Aquino;
- e) Bondfield has failed to repay the Indebtedness notwithstanding the Applicant's agreement in July 2018 to extend the term of the Credit Agreement by approximately three months and the Applicant's demand for repayment in early October 2018;
- f) in addition, BCCL has committed various events of default under the Credit Agreement, which defaults are continuing. The events of default include a failure to pay amounts when due under the Credit Agreement, a material adverse change in the financial condition and operation of Bondfield and Bondfield's inability to pay its debts as such debts become due;
- g) upon default, the Applicant has the right to enforce its security, including to appoint a receiver in respect of Bondfield's property and 131 Saramia Crescent;

Deteriorating Financial Condition of Bondfield

- h) since at least the beginning of 2018, Bondfield has experienced growing liquidity challenges. As a result of these liquidity issues, at some point in early 2018, Bondfield ceased making full remittances to Canada Revenue Agency ("CRA") and the Workplace Safety Insurance Board ("WSIB"). These liquidity issues also resulted in Bondfield being unable to pay all of its subcontractors (and other creditors) in a timely manner, which led to those subcontractors placing liens on the various construction projects and, in turn, to owners of the construction projects refusing to pay Bondfield, resulting in an ever tightening liquidity situation for Bondfield;
- i) the Bondfield entities face significant claims from creditors other than the Applicant, including CRA, WSIB, unions, subcontractors, other trade creditors and Zurich Insurance Company Ltd. ("Zurich"), BCCL's primary bonding company, which has paid out more than \$100 million to subcontractors of BCCL or directly to BCCL to fund its working capital requirements;

- j) since at least September 2018, Bondfield has been operating on a week-to-week basis and has been dependent on funding from Zurich to meet its payroll and other critical obligations as there have been only nominal receipts from operations;
- k) Bondfield's ability to generate new business has been impaired by its current financial condition and the resultant unwillingness of bonding companies to provide new bonds to Bondfield;
- l) over the past several months, Bondfield and the Applicant have been actively engaged in discussions among themselves and with certain other stakeholders for the purpose of, among other things, considering various restructuring alternatives, including sale transactions, to stabilize the Company's business, improve its liquidity and repay indebtedness. Despite restructuring efforts to date, Bondfield has been unable to resolve its significant liquidity issues or otherwise progress any satisfactory restructuring alternatives;
- m) BCCL and Forma-Con are each expected to run out of cash to fund their businesses during the week of November 19, 2018, absent receipt of further funding from Zurich or another party;
- n) CRA has indicated that it may take enforcement action against Bondfield. Were such enforcement action to occur, Bondfield faces the prospect of a "hard" and disorderly shutdown, which would have significant negative consequences for all stakeholders, including, employees, customers (which include hospitals and various other public sector entities), suppliers and subcontractors, and secured creditors;

The Applicant's Demand for Repayment

- o) on October 1, 2018, the Applicant issued letters demanding repayment of the Indebtedness and, as applicable, notices of intention to enforce security pursuant to section 244 of the BIA to BCCL, Forma-Con and each of the other Obligor. Accordingly, the Applicant is entitled to enforce its security;

- p) to date, neither BCCL nor any of the other Obligors have satisfied all or any part of the indebtedness (currently approximately \$85 million) owing to the Applicant under the Credit Agreement;

Appointment of KSV as Receiver

- q) KSV was engaged by the Applicant in August 2018 to advise on financial matters concerning Bondfield. Accordingly, KSV has acquired significant knowledge of Bondfield's business and efforts to restructure its business to date;
 - r) KSV is a licensed trustee in bankruptcy within the meaning of section 2 of the BIA and consents to its appointment as Receiver. KSV has extensive experience in Canadian insolvency proceedings, including receiverships;
 - s) the appointment of KSV as Receiver is just and convenient in the circumstances;
 - t) rules 1.04, 2.03, 3.02, 16 and 38 of the *Rules of Civil Procedure*;
 - u) section 243(1) of the BIA;
 - v) section 101 of the CJA; and
 - w) such further and other grounds as counsel may advise and this Court may permit.
4. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Application:
- a) the Champ Affidavit and the exhibits thereto;
 - b) the consent of KSV to act as Receiver; and

- c) such further and other material as counsel may advise and this Court may permit.

November 15, 2018

GOODMANS LLP
333 Bay Street, Suite 3400
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Howard Wise LSO# 25190F
Christopher G. Armstrong LSO#55148B

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Lawyers for the Applicant

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803
ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT
LTD., 1087507 ONTARIO LIMITED, 1291546 ONTARIO INC.,
1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686
ONTARIO LIMITED, BONDFIELD GROUP INC., 834076
ONTARIO INC., 950504 ONTARIO INC. AND RALPH AQUINO**

Court File No.: _____

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF APPLICATION

Goodmans LLP

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Lawyers for the Applicant

TAB 2

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AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE
ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

AFFIDAVIT OF BRIAN CHAMP
(sworn November 15, 2018)

GOODMANS LLP
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Toronto, ON M5H 2S7

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Lawyers for the Applicant

TABLE OF CONTENTS

I. Overview 3

II. Background and Business Overview 5

 B. Corporate Structure 8

 C. Bank Accounts 10

III. Indebtedness Owing to the Applicant and the Applicant’s Security 10

IV. Deteriorating Financial Condition of Bondfield 13

V. The Applicant’s Accommodations to Bondfield and Restructuring Efforts to Date 15

VI. Default under the Credit Agreement and Demand for Payment 18

VII. Indebtedness to Other Creditors 21

 (i) CRA 22

 (ii) WSIB 23

 (iii) Unions 24

 (iv) Vendors and Subcontractors 24

 (v) Zurich 24

 (vi) Lenders to P3 Projects 24

VIII. Request for the Appointment of KSV as Receiver 25

 (i) Need for the Proposed Receivership 25

 (ii) Purpose of Proposed Receivership 25

 (iii) Appointment of KSV as Receiver 27

IX. Conclusion 27

I, Brian Champ, of the Town of Whitchurch-Stouffville, in the Province of Ontario, a portfolio manager at Bridging Finance Inc. (the “**Applicant**”), **MAKE OATH AND SAY:**

I. OVERVIEW

1. I swear this Affidavit in support of an application by the Applicant, as agent for 2665405 Ontario Inc., to appoint KSV as receiver (in such capacity, the “**Receiver**”), without security, of all of the undertaking, properties and assets of Bondfield Construction Company Limited (“**BCCL**” and, together with its affiliates that are indebted to the Applicant, “**Bondfield**” or the “**Company**”), 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing (“**Forma-Con**”), Bondfield Construction Equipment Ltd. (“**BCEL**”), 1087507 Ontario Limited (“**1087**”), 1291546 Ontario Inc. (“**1291546**”), 1291547 Ontario Inc. (“**1291547**”), 352021 Ontario Limited (“**3520**”), 2032686 Ontario Limited, operating as BMC Masonry (“**BMC**”), Bondfield Group Inc. (“**BGI**”), 834076 Ontario Inc. (“**8340**”) and 950504 Ontario Inc. (“**9505**”), as well as the real property municipally known as 131 Saramia Crescent in Vaughan, Ontario (“**131 Saramia Crescent**”), pursuant to section 101 of the *Courts of Justice Act* (Ontario) and section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”).

2. I am a portfolio manager at the Applicant, the agent under the Credit Agreement (as defined below), and, as such, have knowledge of the matters discussed in this Affidavit. Of particular note, I am one of the individuals at the Applicant with principal carriage of the Bondfield file. I have been involved with the file since the Applicant began considering lending money to Bondfield in June 2017. I have also been involved in considering and reviewing the restructuring options and alternatives regarding Bondfield over the past several

months, including participating in numerous meetings and telephone conferences with representatives of Bondfield and its advisors on a near daily basis and liaising with the Applicant's financial advisor and the proposed receiver, KSV Kofman Inc. ("**KSV**").

3. I either have direct knowledge of the facts set out herein, or have been advised of such information by the KSV professionals involved in this matter on behalf of the Applicant, and believe such information to be true. Unless otherwise stated, all dollar amounts specified herein are in Canadian currency.

4. Bondfield is currently indebted to the Applicant in the amount of approximately \$85 million, which indebtedness is secured by a first-ranking security interest in substantially all of the assets of Bondfield. Bondfield has failed to repay such indebtedness notwithstanding the Applicant's agreement in July 2018 to extend the term of the Credit Agreement (as defined below) by approximately three months and the Applicant's subsequent demand for repayment in early October 2018.

5. Bondfield is also significantly indebted to various subcontractors, trade creditors, unions, the Workplace Safety Insurance Board ("**WSIB**") and the Canada Revenue Agency ("**CRA**"), and faces mounting legal actions by subcontractors and other creditors as well as the possibility of imminent enforcement action by CRA and WSIB. In addition, I am advised by KSV that Bondfield has nearly exhausted its cash resources and has only been able to sustain its operations through the timely collection of accounts receivable from Forma-Con's projects and, in the case of BCCL, from funding received by the Company or its subcontractors from Zurich Insurance Company Ltd. ("**Zurich**"), BCCL's primary bonding

company. The Company has also preserved liquidity by not remitting significant amounts owing to CRA and WSIB, all as further described below.

6. Over the course of the past several months Bondfield and the Applicant have been actively engaged in discussions among themselves and with certain other stakeholders for the purpose of, among other things, considering various restructuring alternatives, including sale transactions, to stabilize the Company's business, improve its liquidity and reduce its indebtedness. During this time, Bondfield's liquidity has become further impaired and pressure from its creditors has escalated. Additionally, to the best of my knowledge, the Company is unable to secure new contracts given the widespread knowledge in the industry of its financial condition, and accordingly, it is basically winding down its existing contracts. Unfortunately, restructuring efforts to date have not resulted in a resolution of the significant liquidity and other issues facing Bondfield, necessitating this application to protect the Applicant's security.

II. BACKGROUND AND BUSINESS OVERVIEW

7. Bondfield is a full-service construction company operating in Ontario with approximately 64 active construction projects¹, both large and small, commercial and residential, and spanning across a variety of industries including health care, long-term care, schools and colleges, infrastructure and commercial facilities. Certain significant construction projects for which Bondfield is currently engaged as the general contractor include:

¹ BCCL has approximately 50 active projects, and Forma-Con has approximately 14 active projects.

- (a) the Union Station revitalization project in Toronto, which has a contract value of approximately \$200 million;
- (b) expansion of St. Michael's Hospital in Toronto, which has a contract value of approximately \$300 million (the "**St. Mikes Project**");
- (c) expansion of the Cambridge Hospital in Cambridge, which has a contract value of approximately \$175 million (the "**Cambridge Project**");
- (d) various projects for the Toronto Transit Commission; and
- (e) the Hawkesbury District General Hospital Redevelopment Project in Hawkesbury, which has a contract value of approximately \$120 million (the "**Hawkesbury Project**").

8. The unaudited and draft consolidated financial statements for Bondfield for fiscal year 2017 are attached hereto as Exhibit A. KSV was advised by the Company that Deloitte LLP had been engaged by the Company to audit its financial statements but that such an audit has yet to be completed.

9. The two principal operating businesses of Bondfield are BCCL and Forma-Con. BCCL is principally engaged as a general contractor on various bonded construction projects throughout Ontario, including the projects noted above. BCCL's principal bonding agency is Zurich. Forma-Con operates a concrete forming business that provides forming services for construction projects, including to BCCL. Most of Forma-Con's projects are not bonded. I also understand that BCCL owns two investment accounts containing marketable securities.

10. BCCL's contracts for many of its construction projects are fixed price contracts, meaning the contract establishes a pre-determined fixed price for the construction work regardless of actual costs incurred by BCCL, and amounts are paid commensurate with work performed, or at other milestones set out in the contract. As at August 31, 2018 (which is the most recent financial information provided by the Company to the Applicant), BCCL still had approximately \$400 million in revenue left to bill on its projects.

11. The St. Mikes Project, Cambridge Project and Hawkesbury Project along with certain other Bondfield projects are public-private partnership projects (collectively, the "**P3 Projects**"). Generally speaking, the P3 Projects are conducted through single purpose entities (the "**P3 Entities**") that are wholly owned by BCCL and have separate third-party secured debt obligations. The P3 Entities are not Obligor (as defined below) in respect of the indebtedness under the Credit Agreement; however, BCCL and other Bondfield entities that are Obligor have an interest in the P3 Projects.

12. Like BCCL, Forma-Con's contracts are also fixed price contracts. As of August 31, 2018, Forma-Con had approximately \$73 million left to bill on its projects.

13. In light of Bondfield's liquidity issues described herein, work on many of its projects has stalled, resulting in corresponding delays in payments being made to the Company under construction contracts, which in turn has resulted in an inability to pay subcontractors, liens being registered against the construction projects by those subcontractors, and mounting pressure from creditors and unpaid vendors.

B. Corporate Structure

14. The shares in BCCL, Forma-Con and most of the other Obligor are owned by Ralph Aquino, John Aquino, Steven Aquino and Maria Bot. Attached hereto as Exhibit B is a corporate chart of the Bondfield group of companies provided by the Company.

15. BCCL is an Ontario corporation that was formed by amalgamation on December 31, 1997. The registered and head office for BCCL is 407 Basaltic Road, Vaughan, Ontario. BCCL employs approximately 60 full-time workers. BCCL may also utilize unionized construction workers from time to time on the projects it undertakes.

16. Forma-Con is an Ontario corporation that was incorporated on June 16, 1993. The registered and head office for Forma-Con is also 407 Basaltic Road, Vaughan, Ontario. Forma-Con utilizes approximately 800 employees in connection with various functions, including unionized construction workers that Forma-Con uses on the projects it undertakes. Those workers are drawn from numerous different unions, including Labourers' Pension Fund (183), Carpenters Union Local 27 and LiUNA Local 183 Members Benefit Fund, among others. Forma-Con also owns two pieces of the Real Property (as defined below).

17. The various other Bondfield entities subject to this application, together with a brief description of my understanding of their background and business is as follows:

- (a) **BCEL** – BCEL is a non-operating entity that owns equipment (e.g. cranes) used in Bondfield's business. BCEL is an Ontario corporation, incorporated on December 20, 2004.

- (b) **1087** – 1087 is a non-operating entity that owns 4431 Stouffville Road, Stouffville, Ontario, which forms part of the Real Property. 1087 is an Ontario corporation, incorporated on June 8, 1994.
- (c) **1291546** and **1291547** – 1291546 and 1291547 are non-operating entities. Both are Ontario corporations, incorporated on April 17, 1998. 1291547 is the direct subsidiary of 1291546 and holds related party receivables and debt.
- (d) **3520** – 3520 is the Company's main employer of construction employees. These employees work on BCCL's construction projects. 3520 is an Ontario corporation, incorporated on February 4, 1977.
- (e) **BMC** – BMC provides masonry services on the Company's construction projects. BMC is an Ontario corporation, incorporated on September 17, 2003.
- (f) **BGI** – BGI is the Company's main employer of employees working in its head office. It employs approximately 75 employees in functions such as legal, accounting, project management and other administrative functions. BGI is an Ontario corporation, incorporated on February 4, 1993. BGI was previously known as Bondfield Management Inc.
- (g) **8340** – 8340 is a non-operating entity. 8340 is an Ontario corporation, incorporated on April 24, 1989.
- (h) **9505** – 9505 is a non-operating entity which may hold interests in certain real property. 9505 is an Ontario corporation, incorporated on July 22, 1991.

18. In addition, the Applicant's application seeks the appointment of the Receiver over 131 Saramia Crescent, a commercial property that is subject to a first-ranking mortgage in favour of the Applicant. I understand that 131 Saramia Crescent is currently occupied by two commercial tenants, Luxury Coach and Tecmotiv.

C. Bank Accounts

19. The Company maintains eighteen bank accounts at Bank of Montreal, comprised of fifteen Canadian dollar accounts and three U.S. dollar accounts. The Company does not maintain separate accounts for each construction project, other than in respect of the St. Mikes Project and the Cambridge Project.

III. INDEBTEDNESS OWING TO THE APPLICANT AND THE APPLICANT'S SECURITY

20. The Applicant, as agent for certain lenders, and BCCL, as borrower, are party to a Credit Agreement dated July 24, 2017, as amended by letter agreement dated July 10, 2018 (the "**Credit Agreement**"), copies of which are attached hereto as Exhibits C and D.² Pursuant to the Credit Agreement, the lenders under the Credit Agreement advanced a non-revolving demand loan in the amount of up to \$60,000,000 (the "**Term Facility**"), and a revolving demand loan in the amount of up to \$20,000,000 (the "**Liquidity Facility**" and with the Term Facility, the "**Facilities**") to BCCL. The term of the Credit Agreement (the

² On November 15, 2018, the existing lenders under the Credit Agreement assigned their right, title and interest in the Credit Agreement and the other Loan Documents and Credit Documents (each as defined in the Credit Agreement) to 2665405 Ontario Inc. The Applicant remains the Agent (as defined in the Credit Agreement) under the Credit Agreement and the other Loan Documents and Credit Documents, including the Security Agreements.

“**Term**”), as amended by the Applicant in July 2018, was the earlier of: (i) demand by the Applicant, and (ii) October 22, 2018.

21. The purpose of the Term Facility was to refinance BCCL’s credit and letter of credit facility with National Bank of Canada, and the purpose of the Liquidity Facility was to finance ongoing construction projects of Bondfield and for general working capital purposes.

22. The obligations of BCCL under the Credit Agreement are guaranteed by: (i) Forma-Con, BCEL, 1087, 1291546, 1291547, 3520, BMC, BGI, 8340 and 9505 (collectively, the “**Corporate Guarantors**”); and (ii) John Aquino, Ralph Aquino and Steven Aquino (the “**Personal Guarantors**” and, with the Corporate Guarantors and BCCL, the “**Obligors**”).

23. As general and continuing security for the obligations under the Credit Agreement and the related loan documents, various first-priority security was granted to the Applicant by the Obligors. The security granted to the Applicant includes, among other things:

- (a) an Omnibus General Security Agreement dated as of July 24, 2017 (the “**Omnibus GSA**”) among the Applicant, BCCL and the Corporate Guarantors granting the Applicant a security interest in substantially all of the property, assets and undertaking of BCCL and the Corporate Guarantors;
- (b) registered charges/mortgages and accompanying demand debentures and assignments of rents from each of Ralph Aquino, Forma-Con and 1087 (collectively, the “**Mortgages**”) in respect of the following real property (collectively, the “**Real Property**”):
 - (i) 4431 Stouffville Road, Stouffville, Ontario (owned by 1087);

- (ii) 407 Basaltic Road, Vaughan, Ontario (owned by Forma-Con);
 - (iii) 131 Saramia Crescent (owned by Ralph Aquino)³; and
 - (iv) 3420 Queen Street East, Brampton, Ontario (formerly, 3420 Highway 7 East, Brampton, Ontario) (the “**Brampton Property**”) (owned by Forma-Con);
- (c) unlimited personal guarantees from each of Steven Aquino and John Aquino; and
- (d) a limited recourse guarantee from Ralph Aquino ((a) through (d), collectively, the “**Security Agreements**”).

24. Copies of the Omnibus GSA and Mortgages are attached hereto as Exhibits E through I.

25. The Applicant registered its security interests in respect of BCCL and the Corporate Guarantors under the Ontario *Personal Property Security Act* (the “**Ontario PPSA**”) on or about July 18, 2017. A summary of the various Ontario PPSA registrations against BCCL and the Corporate Guarantors as of November 7, 2018, is attached hereto as Exhibit J. While there are certain security interests registered against BCCL and certain of the Corporate Guarantors prior in time to the Applicant, those registrations are in respect of discrete assets and are for the most part subject to estoppel letters executed by the applicable registrant in

³ The Applicant’s application is brought against Ralph Aquino in his personal capacity for purposes of the Receiver being appointed in respect of this property.

favour of the Applicant. Accordingly, the Applicant is the first-priority secured creditor in respect of substantially all of the assets of BCCL and the other Corporate Guarantors.

26. The Applicant also registered the Mortgages against the applicable Real Property under the Ontario Land Registry. Copies of the property registers in respect of the Real Property as at November 8, 2018, showing the registration of the Mortgages on title are attached hereto as Exhibit K. The Applicant is the first-priority mortgagee in respect of each of the Real Properties.

IV. DETERIORATING FINANCIAL CONDITION OF BONDFIELD

27. Since at least the beginning of 2018, Bondfield has experienced growing liquidity challenges. By way of example of these liquidity challenges, FAAN (as defined below), Bondfield's financial advisor, provided a cash flow summary to KSV and the Applicant for the Company for the period from August 7, 2018, to October 26, 2018, which shows that the Company had negative net cash flow from operations in the amount of approximately \$16.9 million for the period. A copy of this cash flow summary is attached as Exhibit L hereto.

28. As a result of these liquidity issues, I understand that at some point starting in early 2018, Bondfield ceased making full remittances to CRA and WSIB. These liquidity issues also resulted in Bondfield being unable to pay its subcontractors (and other creditors) in a timely manner, which led to subcontractors placing liens on the various construction projects and, in turn, to owners of the construction projects refusing to pay Bondfield, resulting in ever tightening liquidity for Bondfield. A construction lien list provided by the Company on November 6, 2018, is attached as Exhibit M. According to the list, there are 166 known liens against Bondfield, totalling approximately \$83.4 million. Bondfield is also party to numerous

legal actions with its subcontractors, owners of various construction projects and other creditors.

29. Bondfield's cash-flow issues and its inability to regularly pay its subcontractors and suppliers have also led to construction delays which have further negatively impacted its ability to collect or generate receivables. In addition, news of Bondfield's troubles is widely known in the industry (including based on a number of media reports).⁴ In light of the foregoing, it is my understanding that Bondfield is not presently able to secure new business. Bondfield's ability to bid on new construction projects is further impaired by the unwillingness of bonding companies to provide new bonds to Bondfield given its financial condition.

30. Since at least September 2018, BCCL has been operating on a week-to-week basis and has been dependent on funding from Zurich, which has been paid both to BCCL and directly to BCCL's subcontractors (or to subcontractors in respect of certain bonded Forma-Con projects), to meet its payroll and other critical obligations, as there have been only relatively nominal receipts from operations. Zurich has advised the Applicant that it has funded in excess of \$100 million to date in an effort to have subcontractors remove liens and to "jump-start" BCCL's operations with the objective of improving cash flow. Notwithstanding these payments by Zurich, BCCL's cash flow has failed to improve and cash receipts in BCCL from sources other than Zurich have been nominal.

⁴ Attached hereto as Exhibit N is an article published by the Globe & Mail on September 10, 2018, entitled "Contractor woes stall Ontario public projects".

31. Forma-Con is also facing significant liquidity issues relating to, among other things, BCCL's inability to pay for work provided to it by Forma-Con. Notwithstanding BCCL's inability to pay Forma-Con for its work, Forma-Con has continued to provide services to BCCL and incur labour and material expenses in respect of BCCL projects. As of October 31, 2018, Forma-Con had approximately \$3.6 million in accounts receivable owing to it by BCCL and \$3.8 million in holdbacks.

32. I understand from KSV that as of November 12, 2018, the Company had less than \$1.2 million of cash on hand after accounting for outstanding cheques, and that it was anticipated to run out of cash during the week of November 19, 2018, absent receipt of further funding from Zurich or another party.

V. THE APPLICANT'S ACCOMMODATIONS TO BONDFIELD AND RESTRUCTURING EFFORTS TO DATE

33. The original Term of the Credit Agreement was the earlier of (i) demand by the Applicant; and (ii) July 24, 2018. In July 2018, Bondfield advised the Applicant that it would not be in a position to repay the obligations owing under the Credit Agreement on July 24, 2018, and requested an extension of the Term. In addition, Bondfield advised the Applicant it was actively exploring refinancing and sale alternatives and had engaged FTI Consulting Canada Inc. ("**FTI**") to assist it with these efforts.

34. On July 10, 2018, the Applicant agreed to amend the Term such that it would be the earlier of demand by the Applicant and October 22, 2018. In connection with agreeing to amend the Term, the Applicant and BCCL entered into a letter agreement dated July 17, 2018, a copy of which is attached hereto as Exhibit O, pursuant to which BCCL agreed to undertake

certain restructuring initiatives, including: (i) appointing an interim chief financial officer; (ii) engaging in weekly conference calls regarding a refinancing and sale solicitation process; (iii) preparing a divestiture plan with the goal of reducing BCCL's indebtedness, which was to include the sale (or sale lease-back or other similar arrangement) of BCCL's head office and other real property as agreed between BCCL and the Applicant; and (iv) providing the Applicant with access to FTI for any reporting or financial analysis reasonably required by the Applicant.

35. From July through early November 2018, the Applicant worked with Bondfield in an effort to explore whether an "out of court" solution was available to resolve Bondfield's liquidity and other issues. These efforts have included:

- (a) with the assistance of FTI, exploring refinancing alternatives over the summer of 2018. No viable refinancing source was identified in this process and, to the best of my knowledge, Bondfield is not currently exploring refinancing options;
- (b) the engagement by Bondfield of FAAN Advisors Group Inc. ("FAAN") in August 2018 to act as Bondfield's financial advisor, including to prepare cash flow forecasts and other financial reporting for BCCL and Forma-Con. Although FAAN has been engaged for over three months, I am advised by KSV (who liaises with FAAN and Bondfield on a daily basis) that Bondfield continues to have challenges providing accurate and timely financial information. For example, despite repeated requests, Bondfield is unable to provide recent financial statements. Bondfield has also not provided a

borrowing base calculation to the Applicant since May 2018, despite being required to provide one on a monthly basis pursuant to the Credit Agreement;

- (c) exploring sales of BCCL, Forma-Con, equipment and real estate to generate liquidity for the business and to reduce Bondfield's indebtedness. Initially, these efforts were led by FTI. However, FTI's engagement was terminated by Bondfield in August 2018. To date, aside from a miscellaneous equipment sale at auction that generated proceeds of approximately \$420,000, Bondfield has been unable to enter into a sale transaction, nor has it been able to identify a potential source of refinancing;
- (d) in respect of Forma-Con specifically, over the course of the past month Bondfield has conducted a sale process in an attempt to find a purchaser for Forma-Con's operations and related equipment owned by other Bondfield entities. Although this process has attracted interest from potential purchasers, Bondfield has been unable to enter into a sale agreement or consummate a transaction;
- (e) conducting a marketing and sale process for the Brampton Property. Following this process, on October 10, 2018, Forma-Con and an entity controlled by the Applicant entered into an agreement of purchase and sale in respect of the Brampton Property, which transaction was scheduled to close on November 13, 2018. As at the swearing of this Affidavit, the transaction had not yet closed; and

- (f) numerous discussions with Zurich regarding restructuring and funding options for Bondfield. As noted previously, Zurich is BCCL's primary bonding company whom I understand has funded more than \$100 million to BCCL or its subcontractors to date. Notwithstanding these payments, BCCL was only able to collect approximately \$10 million from owners of construction projects for the period from August 7, 2018, to October 26, 2018. There is currently over \$78 million of receivables owing to BCCL, of which approximately 50% is aged over ninety days. BCCL is unable to collect such receivables due, in part, to liens registered against BCCL projects.

36. Despite the approximately three month extension of the Term afforded by the Applicant to Bondfield, Bondfield has been unable to resolve its significant liquidity issues or otherwise formulate or progress any satisfactory restructuring alternatives.

VI. DEFAULT UNDER THE CREDIT AGREEMENT AND DEMAND FOR PAYMENT

37. As noted above, the Applicant is entitled to demand repayment of the obligations owing under the Credit Agreement at any time. In addition, the Credit Agreement provides for various events of default, which include, among other things:

- (a) the failure of BCCL to pay when due any principal, interest, fees or other amounts due under the Credit Agreement or any of the security (Events of Default, Section (a));
- (b) any default or failure by BCCL to keep current all amounts owing to parties other than the Applicant or lender who, in the Applicant's sole opinion, have or

could have a security interest, trust or deemed trust in the property, assets or undertaking of BCCL which, in the Applicant's sole opinion could rank in priority to the security held by the agent upon the Collateral (as defined in the Credit Agreement) (Events of Default, Section (i));

- (c) if, in the reasonable opinion of the Applicant, there is a Material Adverse Change (as defined in the Credit Agreement) in the financial condition, ownership or operation of BCCL, Forma-Con or the other Obligors under the Credit Agreement (Events of Default, Section (j)); and
- (d) any of BCCL, Forma-Con or the other Obligors under the Credit Agreement is unable to pay its debts as such debts become due (Events of Default, Section (k)).

38. I believe each of these events of default has occurred and is continuing. By way of example (and without limitation):

- (a) pursuant to the Credit Agreement, BCCL is obligated to make monthly interest payments to the Applicant of approximately \$1 million (based on the non-default rate). BCCL has not made an interest payment to the Applicant since June 2018. In addition, BCCL has failed to repay the indebtedness owing to the Applicant notwithstanding the Applicant's demand for repayment, as detailed below;

- (b) BCCL has failed to make required remittances to CRA on account of employee source deductions and HST. I understand CRA could assert priority claims for these amounts;
- (c) based on the facts outlined herein, the Applicant is of the opinion that there has been a Material Adverse Change in the financial condition and operation of BCCL and Forma-Con; and
- (d) as detailed herein, each of BCCL and Forma-Con is unable to pay its debts as such debts become due.

39. In addition to the foregoing defaults, on or about October 15, 2018, Bondfield terminated its President, John Aquino, without prior notice to, or consultation with, the Applicant. The Applicant was very concerned by the termination of Mr. Aquino's employment, in particular its impact on the ongoing Forma-Con sale process (which Mr. Aquino was leading) as well as the fact it occurred without prior notice to, or consultation with, the Applicant. This incident, coupled with the inability of Bondfield management to successfully progress any of the sales or other restructuring alternatives outlined herein or otherwise address the significant liquidity issues faced by Bondfield, has caused the Applicant to lose faith in Bondfield's management.

40. The Credit Agreement provides that if an event of default has occurred, the Applicant may, by written notice to BCCL, declare all monies outstanding under the Facilities to be immediately due and payable. Upon receipt of such written notice, the Obligors shall immediately pay to the Applicant all monies outstanding under the Facilities and all other

obligations of BCCL to the Applicant in connection with the Facilities under the Credit Agreement, and the Applicant may enforce its rights to realize upon its security.

41. The Omnibus GSA and Mortgages each provide that upon the Applicant's security in the applicable collateral or Real Property becoming enforceable, the Applicant may, among other things, appoint a receiver or manager in respect of the applicable collateral or Real Property.

42. On October 1, 2018, the Applicant delivered letters demanding repayment of the indebtedness owing under the Credit Agreement (collectively, the "**Demand Letters**") and, as applicable, notices of intention to enforce security pursuant to section 244 of the BIA (collectively, the "**244s**") to BCCL, Forma-Con and each of the other Obligors. Copies of the Demand Letters and 244s are attached hereto as Exhibit P.

43. As of November 13, 2018, Bondfield is indebted to the Applicant in the aggregate amount of approximately \$85 million, exclusive of legal expenses and other costs, charges and fees.

44. To date, neither BCCL nor any of the other Obligors has satisfied all or any part of the indebtedness owing to the Applicant under the Credit Agreement.

VII. INDEBTEDNESS TO OTHER CREDITORS

45. I understand, based on discussions with KSV, that Bondfield entities face significant other claims from other creditors, which are described below and set out in the following

chart.⁵ In addition to the amounts set forth in the chart, Bondfield also owes significant amounts to its subcontractors and other trade creditors.

(Unaudited, subject to change) (\$000s)	BCCL	3520	Forma-Con	BGI	BMC	Total
CRA (Source Deductions)	1,238	5,704	10,477	304	1,341	19,064
CRA (HST)	-	1,558	5,763	151	246	7,718
WSIB	50	119	2,799	87	277	3,332
Unions	-	-	2,250	-	-	2,250
Zurich	+100,000	-	-	-	-	+100,000
Total	+101,288	7,381	21,289	542	1,864	+132,364

(i) CRA

46. Forma-Con owes in excess of \$15 million to CRA on account of unpaid source deductions and unpaid HST remittances, and BCCL owes approximately \$1.2 million to CRA on account of unpaid source deductions. Certain other Bondfield entities also owe lesser amounts to CRA on account of unpaid source deductions. I understand that BCCL has negotiated a short term payment plan with CRA and that Forma-Con has until November 23, 2018 to provide a payment plan to CRA. On an interim basis, Forma-Con has agreed to pay CRA \$250,000 per week in respect of arrears prior to finalizing a payment plan with CRA. In October 2018, BCCL made a \$1.8 million payment to CRA on account of unpaid source deductions of BCCL, BGI and 3520, which payment was funded by Zurich. BGI is also paying \$40,000 per week to CRA towards further unpaid source deductions.

⁵ The amounts reflected in this table are subject to change and such changes may be material. The amounts reflected in this table exclude off-balance sheet obligations, such as certain amounts owing to employees and litigation claims.

47. I understand based on discussions with KSV and my review of correspondence from CRA (attached hereto as Exhibit Q) that CRA has indicated it may take enforcement action against Bondfield, including seeking to freeze its bank accounts and issue requirements to pay to third parties such as project owners and contractors who owe Bondfield money, as well as to the Company's financial institutions. Were such enforcement actions to occur, I am concerned that Bondfield would not be able to operate its business and could experience a "hard stop".

(ii) *WSIB*

48. WSIB administers compensation and no-fault insurance to employees of certain Bondfield entities. Bondfield is unable to collect receivables without providing clearance certificates to owners and general contractors certifying that the Company is current on WSIB payments to employees. As noted in the above chart, Forma-Con, BMC and 3520 are collectively indebted to WSIB for approximately \$3.3 million. WSIB has issued several Notices of Garnishment to garnish Bondfield's bank accounts. In October 2018, WSIB advised that it would no longer provide clearance certificates to Forma-Con without a payment plan. Forma-Con and WSIB negotiated a payment plan under which Forma-Con is to pay \$100,000 a week in respect of arrears, remains current on future WSIB payments and pay the balance owing to WSIB in February 2019. Forma Con has failed to make payments in accordance with such payment plan. Accordingly, it is currently unable to obtain clearance certificates from WSIB and, as a result, is unlikely to be able to collect further receivables to fund its business.

(iii) *Unions*

49. As described previously, Forma-Con and BCCL utilize unionized employees on various construction projects. Forma-Con utilizes unionized employees from approximately 27 unions and collectively owes such unions approximately \$2.25 million. Several unions have or are threatening to file grievances against Forma-Con for unpaid union fees.

(iv) *Vendors and Subcontractors*

50. There are material obligations owing by certain Bondfield entities to vendors and subcontractors, the total quantum of which is unknown to me at this time.

(v) *Zurich*

51. As noted above, I understand Zurich has paid out more than \$100 million under various surety bonds issued in respect of BCCL. I understand from the Applicant's counsel, Goodmans LLP, that Zurich may assert indemnity claims against BCCL (and potentially other Obligor(s) in relation to having funded these amounts. I also understand from counsel (based on advice from Zurich's counsel) that Zurich has taken an assignment of claims against BCCL from subcontractors it has paid under its surety bonds.

(vi) *Lenders to P3 Projects*

52. The P3 Projects are financed by various lenders, who have security over the P3 Entities in respect of such amounts. The Bank of Montreal is lender for the Cambridge Project and St. Mikes Project and is owed approximately \$121 million and \$230 million, respectively, in respect of such projects. The Toronto Dominion Bank is lender for the Hawkesbury Project and is owed approximately \$30 million in respect of such project.

VIII. REQUEST FOR THE APPOINTMENT OF KSV AS RECEIVER

(i) Need for the Proposed Receivership

53. BCCL is in default of its obligations to the Applicant under the Credit Agreement and is unable to repay the indebtedness owing to the Applicant. As noted above, pursuant to the Security Agreements, the Applicant has the right to appoint a receiver in respect of BCCL, Forma-Con and the other Corporate Guarantors and their respective property, as well as 131 Saramia Crescent.

54. In addition to amounts being due and owing to the Applicant, the urgent need to appoint a receiver is highlighted by the serious financial difficulties experienced by Bondfield in recent months, including, most notably, the prospect that it may run out of cash to fund its business and that CRA and WSIB may commence enforcement action in the near term. If either of these were to occur, Bondfield faces the prospect of a “hard” and disorderly shutdown, which would have significant negative consequences for all stakeholders, including: (i) employees, who will face termination of their employment; (ii) customers, which include hospitals, schools and various other public sector entities, that may be forced to incur significant costs and delays and make alternate arrangements for completion of their projects; (iii) suppliers and subcontractors, who will face the loss of a customer on a going forward basis; and (iv) secured creditors, who could face a significant shortfall on recoveries.

(ii) Purpose of Proposed Receivership

55. I am advised by Goodmans LLP, counsel to the Applicant, that the terms of the appointment order sought by the Applicant are substantially consistent with the Commercial List model order.

56. The Applicant anticipates that if the Receiver is appointed on the terms sought, the Receiver will:

- (a) with respect to Forma-Con, immediately suspend Forma-Con's operations and take steps to ascertain whether a going-concern sale of Forma-Con is possible in the near term. As described above, Bondfield has conducted a sale process in respect of Forma-Con over the past month but, to date, has been unable to reach agreement with a purchaser. The Applicant's expectation is that the commencement of these proceedings (including the ability of the Receiver to seek to convey assets free and clear) may assist in achieving a timely sale of Forma-Con's operations. Given the significant pressures facing Forma-Con's business and the realities of this filing, the Applicant is of the view that any potential transaction must be identified and consummated as quickly as possible. In the event a transaction cannot be timely identified, entered into and consummated, the Applicant expects that the Receiver will take steps to wind-down Forma-Con's business;
- (b) with respect to BCCL, the Applicant intends to engage in further discussions with both the Receiver and Zurich regarding the funding and continuation of BCCL's projects on a go forward basis, including the feasibility of further work being completed on projects, necessary arrangements regarding the use of equipment that is subject to the Applicant's security, the collection of outstanding and future receivables by the Receiver and the pursuit of BCCL's litigation claims against certain project owners. The Applicant expects that the

Receiver will report back to the Court on the outcome of these discussions and the resulting “go forward” plan for BCCL; and

- (c) with respect to Bondfield’s non-core assets (for instance, real property and excess equipment), the Applicant expects that the Receiver will move in a timely fashion to market and sell those assets, including seeking Court approval where necessary.

(iii) Appointment of KSV as Receiver

57. As noted above, KSV was engaged by the Applicant in August 2018 to advise on financial matters concerning Bondfield. Accordingly, it has acquired significant knowledge of the Company’s business and restructuring efforts to date. I am advised by Bobby Kofman of KSV that KSV is a registered member of the Canadian Association of Insolvency and Restructuring Professionals and is a licensed trustee, as defined in the BIA, with extensive experience in Canadian insolvency proceedings, including receiverships. KSV has provided a written consent to act as Receiver in these proceedings. Given KSV’s involvement with Bondfield to date and its resultant knowledge of its business, I believe that KSV is the appropriate firm to be appointed as Receiver.

IX. CONCLUSION

58. The Credit Agreement and related Security Agreements are in default and Bondfield has failed to, and is unable to, repay the substantial indebtedness (approximately \$85 million) owing by it to the Applicant. Bondfield also faces significant ongoing liquidity challenges and the possibility of enforcement by CRA and WSIB, both of which threaten the ability of Bondfield to operate its business and could significantly further impair the value of the

Applicant's collateral. In order to protect the Applicant's secured position and the integrity of Bondfield's estates, the Applicant requires the appointment of the Receiver.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on the 15th day of November, 2018

Commissioner for Taking Affidavits

Brian Champ

A

Bondfield Construction Group of Companies
 Combined consolidated statement of earnings and retained earnings
 year ended December 31, 2017

DRAFT
 MAR 15 11E

	2017	2016
	\$	\$
Contract revenue (Note 4)	500,487,444	668,791,733
Contract costs (Note 4)	475,391,120	643,112,769
Gross profit	25,096,324	25,678,964
	^	^
Expenses		
General and administrative	18,685,608	19,520,894
(Gain) loss on foreign exchange	(91,022)	(302,035)
	18,594,586	19,218,859
	^	^
Other income (expense)		
Share of earnings from significantly influenced entity	400,000	500,003
Share of earnings from partnership (Note 4)	-	618,559
Gain (loss) on sale of marketable securities	1,316,807	30,112
Mark to market on marketable securities to fair value	(1,165,973)	198,230
(Loss) gain on disposal of property and equipment	138,748	85,300
Rental income	162,200	195,200
Interest income	160,562	248,163
Dividend income marketable securities	91,022	30,805
	1,103,366	1,906,372
	^	^
Earnings before income taxes	7,605,104	8,366,477
Income tax expense (Note 10)	2,189,743	2,315,209
Net earnings for the year	5,415,361	6,051,268
Retained earnings, beginning of year	63,473,347	57,422,079
Retained earnings, end of year	68,888,708	63,473,347
	^	^
Supplementary information		
Amortization included in contract costs	1,632,083	1,670,529
Amortization included in general and administrative	562,635	705,948
Total amortization	2,194,717	2,376,477
	^	^

Bondfield Construction Group of Companies

Combined consolidated balance sheet
as at December 31, 2017

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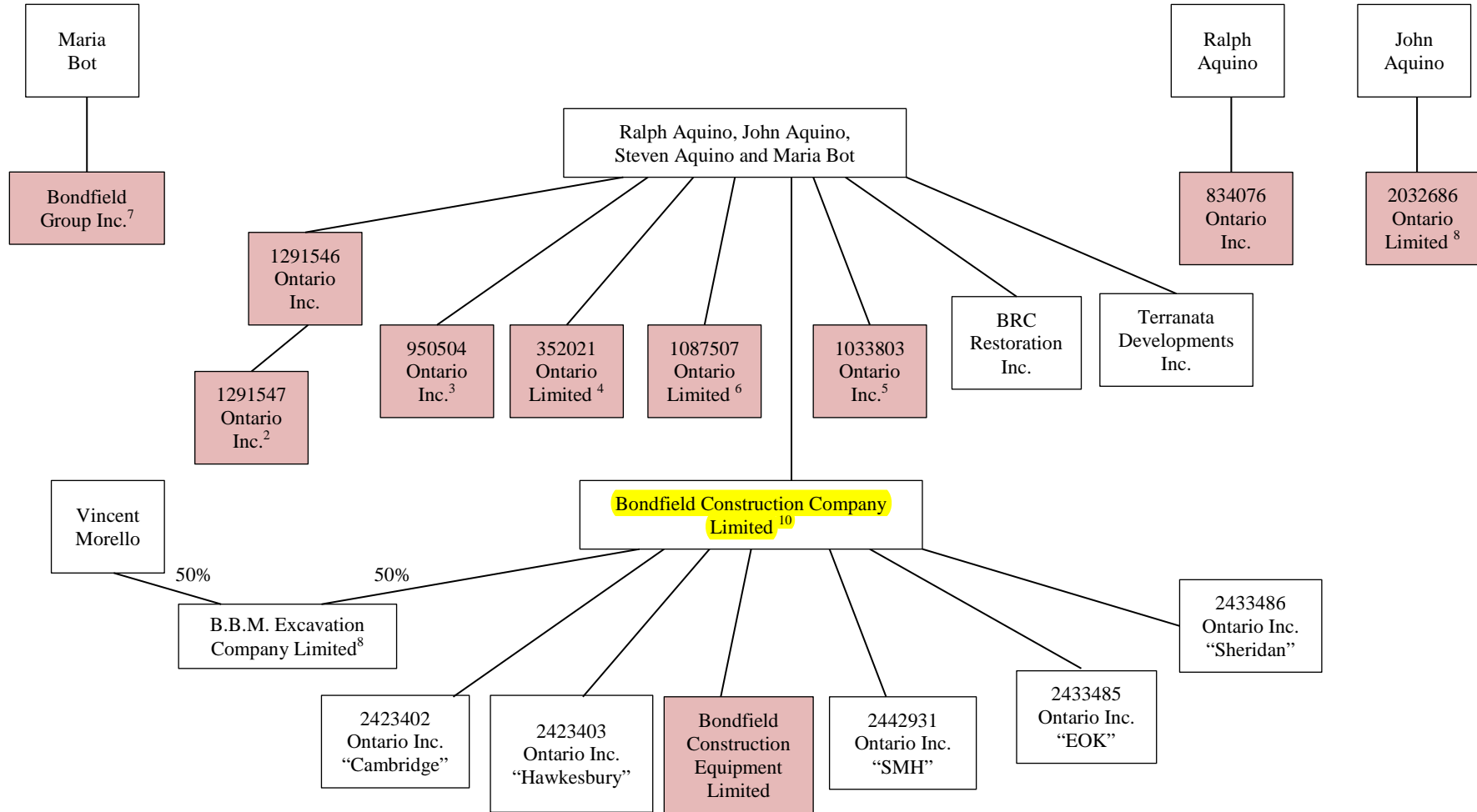
	2017	2016
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	6,050,048	5,992,606
Marketable securities (Note 3)	11,252,714	10,812,232
Accounts receivable	153,970,352	140,899,967
Due from related entities (Note 4)	31,682,720	28,890,950
Unbilled contract revenue	44,911,556	21,252,287
Holdbacks receivable	125,347,409	118,485,966
Income taxes receivable	-	-
Prepaid expenses	321,095	321,095
Investment in partnership (Note 4)	926,600	926,600
Investment in joint venture (Note 4)	1,009,760	1,009,760
	<u>375,472,255</u>	<u>328,591,463</u>
	^	^
Investment in significantly influenced entity (Note 4)	3,454,381	3,054,381
Property and equipment (Note 5)	18,222,724	20,177,125
	<u>397,149,360</u>	<u>351,822,969</u>
	^	^
Liabilities		
Current liabilities		
Bank indebtedness (Note 8)	82,670,415	56,450,549
Accounts payable and accrued liabilities	86,978,222	99,738,053
Holdbacks payable	89,687,703	77,014,993
Income taxes payable	3,669,667	1,966,462
Deferred contract revenue	24,600,341	32,184,675
Term Loan	20,000,000	-
Current portion of equipment lease	274,487	274,487
	<u>307,880,835</u>	<u>267,629,219</u>
	^	^
Due to shareholder (Note 6)	15,382,391	15,350,995
Long Term Equipmnet Lease	948,440	1,320,422
	<u>324,211,666</u>	<u>284,300,636</u>
	^	^
Contingent liabilities and commitments (Note 13)		
Shareholders' equity		
Share capital (Note 9)	4,048,986	4,048,986
Non-controlling interest (Note 1)		
Retained earnings	68,888,708	63,473,347
	<u>72,937,694</u>	<u>67,522,333</u>
	<u>397,149,360</u>	<u>351,822,969</u>
	^	^

Approved on behalf of the Board

Director

B

Bondfield Group – Corporate Organizational Chart (includes active P3 Project Cos only)¹



1. Entities in red are Corporate Guarantors under the Credit Agreement
 2. Shareholder Loans
 3. Holding Company (Brewster Rd, Sangester and Avenue Road) – Holds properties (5%)
 4. Union Payroll Company (only processes payroll)
 5. Holding Company (407 Basaltic, Brewster Road and 3420 Hwy 7) – Holds Properties (5%). Operating as Forma Finishing and Forma-Con Construction

6. Holding Company (Stouffville Property) – Holds Properties (5%)
 7. Formerly Bondfield Management Inc. Office Staff Payroll Company (only processes payroll)
 8. Masonry Division. Operating as BMC Masonry.
 9. Joint venture company (not forming part of security package)
 10. Borrower under Credit Agreement

C



July 24, 2017

Bondfield Construction Company Limited
 407 Basaltic Road
 Concord, Ontario
 L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Bridging Finance Inc. (in its capacity as agent, the “Agent”), as agent for and on behalf of any of the funds sub-advised or managed by Bridging Finance Inc. (collectively, the “Lender”), credit facility in favour of the Borrower (as defined below)

The Agent, for and on behalf of the Lender, is pleased to offer the Facilities described in this loan facility letter agreement (the “**Agreement**”) subject to the terms and conditions set forth herein. Unless otherwise indicated, all amounts are expressed in Canadian currency. All capitalized terms not otherwise defined in the body of this Agreement shall have the meanings ascribed thereto in Schedule “A”.

- Borrower:** Bondfield Construction Company Limited (the “**Borrower**”), a corporation amalgamated pursuant to the laws of the Province of Ontario.
- Guarantors:** Ralph Aquino, John Aquino, Steven Aquino, 352021 Ontario Limited, 834076 Ontario Inc., 950504 Ontario Inc., 1033803 Ontario Inc., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 2032686 Ontario Limited, Bondfield Management Inc. and Bondfield Construction Equipment Limited (collectively, the “**Guarantors**”). The Borrower and the Guarantors are, collectively, the “**Obligors**” and each an “**Obligor**”.
- Lender:** Bridging Finance Inc., as agent for and on behalf of any of the funds sub-advised or managed by Bridging Finance Inc. (collectively, the “**Lender**”).
- Agent:** Bridging Finance Inc. (the “**Agent**”).
- Facility:**
- (1) Non-revolving demand loan in the amount of up to \$60,000,000 (the “**Term Facility**”);
 - (2) Revolving demand loan in the amount of up to \$20,000,000 (the “**Liquidity Facility**”); and

The Term Facility and the Liquidity Facility comprise the entire credit facility and are collectively referred to as the “**Facilities**”.

The aggregate outstanding amount under the Facilities shall at no time exceed an amount equivalent to the Borrowing Base at such time.

Purpose: The purpose of the Term Facility is to refinance all of the Borrower's obligations in connection with its credit and L/C facility with National Bank of Canada, including, without limitation, any amounts in connection with cheques which have not yet been processed or cleared by National Bank of Canada.

The purpose of the Liquidity Facility is to: (i) finance ongoing construction projects of the Borrower; and (ii) to be used for general working capital purposes.

Term: The earlier of (i) demand by the Agent or the Lender, and (ii) July 24, 2018 (the "**Term**").

Term Facility Availability: Subject to the terms and conditions of this Agreement, the amount available under the Term Facility may be drawn only in a single advance in accordance with the Notice of Advance and Direction on the date of the initial advance under the Term Facility.

Liquidity Facility Availability and Advances: Subject to the terms and conditions of this Agreement, the amount available under the Liquidity Facility may be repaid and redrawn from time to time. Borrowings under the Liquidity Facility must be requested no later than 1:00 p.m. Toronto time prior to the requested funding date (which must be a Business Day) and no more than one Borrowing may be requested per week. Borrowing requests are to be made in the form as attached here to as Schedule "B".

Interest Rate and Fees: **Interest:** Interest on the Facilities shall accrue at an annual rate equal to the Bank of Montreal Prime plus 10.3% calculated on the daily outstanding balance of the Facilities and compounded monthly, not in advance and with no deemed reinvestment of monthly payments. On the occurrence of an Event of Default, interest shall be calculated at an annual rate of twenty-one percent (21%) per annum calculated and compounded as aforesaid. Bank of Montreal Prime shall mean the floating annual rate of interest established from time to time by Bank of Montreal as the base rate it will use to determine rates of interest on Canadian dollar loans to customers in Canada and designated as its Prime Rate.

Work Fee: A work fee of two percent (2.0%) of the Facilities made available to the Borrower, plus any applicable taxes due thereon, shall be due and payable by the Borrower to the Agent at the time of the first advance of the Term Facility and shall be deducted from the advance of the Term Facility.

Unused Line Fee: The Borrower shall pay to the Agent an unused line fee in an amount equal to two percent (2.0%) per annum which shall be calculated on the daily unused portion of the Liquidity Facility (the "**Unused Line Fee**").

Administration Fee: If the Borrower fails to pay any amounts on the day such amounts are due or if the Borrower fails to deliver the required reports set out herein, the Borrower shall pay to the Agent a late administration fee of \$100.00 per day, plus any applicable taxes due thereon, until such date that such payment has been made or the Borrower has delivered such report, as the case may be.

Expenses: The Borrower shall pay all fees and expenses (including, but not limited to, all due diligence, consultant, field examination and appraisal costs, all reasonable fees and expenses for outside legal counsel and other outside professional advisors and the time spent by the Agent and its representatives in retaking, holding, repairing, processing and preparing for disposition and disposing of the Security calculated at the Agent's standard per diem rate in effect at such applicable time and established by the Agent in its sole discretion for internal personnel of the Agent) reasonably incurred by the Agent or the Lender in connection with the preparation, registration and ongoing administration of this Agreement and the Security and with the enforcement of the Agent's or the Lender's rights and remedies under this Agreement or the Security, whether or not any amounts are advanced under this Agreement. If the Agent or the Lender has paid any expense for which the Agent or the Lender is entitled to reimbursement from the Borrower and such expense has not been deducted from the advance of the Term Facility, such expense shall be payable by the Borrower upon demand therefor from the Agent or the Lender. All such fees and expenses and interest thereon shall be secured by the Security whether or not any funds under the Facilities are advanced.

Payments:

Without limiting the right of the Agent or the Lender to at any time demand repayment and subject to and in addition to the requirement for repayment in full pursuant to this Agreement at the end of the Term, interest only at the aforesaid rate, calculated daily and compounded and payable monthly, not in advance on the outstanding amount of the Facilities, shall be due and payable on the last Business Day of each and every month during the Term (including the Unused Line Fee).

Other Mandatory Repayments:

The Borrower shall, on a monthly basis, within 3 days of delivery of a Borrowing Base Certificate to the Agent, repay any principal (first under the Liquidity Facility and then, if necessary, under the Term Facility (for certainty any such repayments under the Term Facility may not be reborrowed should the Borrowing Base increase)) outstanding under the Facilities to ensure that immediately following such repayment, the principal outstanding under the Facilities is less than or equal to the amount of the Borrowing Base.

The Borrower shall repay the Liquidity Facility in principal amounts equal to: (i) any Claim; and (ii) the amount of any construction lien holdback owing to any Obligor and released to the Borrower within three days of receipt of such amounts. The Agent and the Borrower acknowledge that certain of the amounts referred to above will be subject to the *Construction Lien Act* and any other Applicable Laws.

Principal:

Subject to demand by the Agent or the Lender or the occurrence and continuance of a Default or an Event of Default, the Borrower acknowledges that the principal amount of the Facilities are payable in full upon maturity at the end of the Term.

Prepayment:

The Term Facility can be repaid in full or partially at any time without any fee or penalty provided that the Borrower has delivered an irrevocable written Prepayment Notice to the Agent ninety (90) days prior to the proposed prepayment date setting forth the amount being prepaid (the "**Prepayment Amount**").

For greater certainty, any prepayment which is made prior to the last day of such ninety (90) day notice period shall require payment by the Borrower to the Agent of an amount equal to the following formula:

$$\frac{I}{365} \times (90 - N) \times M$$

Where:

I = the annual interest rate on the Term Facility on the date that the Prepayment Notice is given or demand, is made

N = the number of days between the date that the
Prepayment

Notice is provided and the date of prepayment, provided that if such number is greater than ninety (90) days, it shall be equal to 90 for the purposes of this calculation, and if demand occurs during the occurrence of an Event of Default, N shall equal 0

M = the amount advanced to the Borrower under the Term Facility including any interest and other fees owing, under this Agreement, on the date that the Prepayment Notice is provided, or demand is made.

In the event that the Prepayment Amount is not paid in full on the proposed prepayment date as provided in the Prepayment Notice, at the Agent's option, such Prepayment Notice shall be deemed null and void and prepayment of the Term Facility, in full or partially, shall thereafter only be permitted upon the delivery by the Borrower of a new Prepayment Notice providing for ninety (90) days prior notice of prepayment.

- Deposit:** The Agent acknowledges that it has been paid a deposit of \$75,000 by the Borrower which will be credited against the Borrower's obligation to pay the legal fees and expenses incurred by the Agent.
- Application of Payments:** Notwithstanding anything else contained herein, all payments received by the Agent or the Lender shall first be credited as payment of interest and fees owing by the Borrower in respect of the Liquidity Facility and then as repayment of the principal amount owing by the Borrower to the Agent or Lender hereunder.
- Conditions Precedent:** The availability of the Facilities on the Closing Date are subject to and conditional upon the following conditions:
- (a) approval of the transaction by the Agent's credit committee;
 - (b) satisfactory completion of the Agent's due diligence and continual due diligence, including the Agent's review of the corporate structure of the Borrower and operations of the Borrower, and its business and financial plans;
 - (c) receipt of a duly executed copy of this Agreement, the Security and other Credit Documents in form and substance satisfactory to the Agent and its legal counsel, registered as required to perfect and maintain the security created thereby and such certificates, authorizations, resolutions of the board of directors of the Borrower and legal opinions as the Agent may reasonably require including an opinion from counsel to the Obligor with respect to status and the due authorization, execution, delivery, validity and enforceability against the Obligor of this Agreement, the Security and other Credit Documents together with title opinions in respect of all real property Collateral;
 - (d) on or immediately following the Closing Date, the discharge or subordination of any and all existing security against the Collateral, other than the Permitted Encumbrances, as may be required by the Agent;
 - (e) concurrent with the Closing Date advance, payment of all fees owing to the Agent or the Lender hereunder;
 - (f) in respect of all real property subject to the Security, delivery of proof that all water accounts and property taxes are paid up to date or a direction to pay any outstanding property taxes;
 - (g) delivery of such financial and other information, certificates or documents relating to the Borrower as the Agent may require;
 - (h) delivery to the Agent of a Borrowing Base Certificate demonstrating that the amount to be borrowed under the Facilities on the Closing Date does not exceed the Borrowing Base on the Closing Date;

- (i) the Agent being satisfied that there has been no material deterioration in the financial condition of any Obligor;
- (j) no event shall have occurred and be continuing and no circumstance shall exist which has not been waived, which constitutes a default in respect of any material commitment, agreement or any other instrument to which the Borrower is a party or is otherwise bound, entitling any other party thereto to accelerate the maturity of amounts of principal owing thereunder or terminate any such material commitment, agreement or instrument which would have a material adverse effect upon the financial condition, property, assets, operation or business of the Borrower and its subsidiaries, taken as a whole;
- (k) satisfactory banking arrangements are in place with National Bank of Canada together with blocked account agreements in favour of the Agent; and
- (l) no Default or Event of Default shall have occurred.

Covenants:

The Borrower hereby covenants and agrees with the Agent and the Lender, while this Agreement is in effect, to and to cause all Obligors which are corporations to:

- (a) pay all sums of money when due hereunder or arising therefrom;
- (b) provide the Agent with prompt written notice of any event which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default, a breach of any covenant or other term or condition of this Agreement or of any other Credit Document;
- (c) use the proceeds of the Facilities solely for the purposes provided for herein;
- (d) continue to carry on business in the nature of or related to the business transacted by the Borrower prior to the date hereof in the name and for the account of the Borrower;
- (e) keep and maintain books of account and other accounting records in accordance with generally accepted accounting principles;
- (f) fully and effectually maintain and keep maintained all security interests granted to the Agent under the Security as a valid and effective first priority Lien at all times, free of all Encumbrances other than Permitted Encumbrances;
- (g) cause all material properties used or useful in the conduct of the business of the Borrower to be maintained and kept in good condition, repair and working order (ordinary wear and tear excepted) and supplied with all necessary equipment and cause

to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in its reasonable judgment may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times;

- (h) permit the Agent or its representatives, at any time and from time to time, with such frequency as the Agent, in its sole discretion, may require, to visit and inspect the Borrower's premises, properties and assets (and to examine and obtain copies of the Borrower's records or other information and discuss the Borrower's affairs with the auditors, counsel and other professional advisors of the Borrower all at the reasonable expense of the Borrower;
- (i) keep the Agent informed on any changes to the strategy of the Borrower;
- (j) forthwith notify the Agent of the particulars of any action, suit or proceeding, pending, arbitration or arbitration requests under the Construction Lien Act (Ontario) which, if determined adversely, would result in a judgement or award against an Obligor that could reasonably be expected to have a Material Adverse Effect;
- (k) in a form and manner prescribed by the Agent (which may include by fax and/or e-mail), deliver to the Agent any financial information, including the Financial Reports, certified by a senior officer of the Borrower, with respect to the Borrower as and when reasonably requested by the Agent;
- (l) file all tax returns which the Borrower must file from time to time, to pay or make provision for payment of all taxes (including interest and penalties) and other potential preferred claims which are or will become due and payable and to provide adequate reserves for the payment of any tax, the payment of which is being contested;
- (m) maintain its corporate existence in good standing;
- (n) provide 30 days prior written notice to the Agent of any change in the Borrower's places of business or name;
- (o) keep its assets fully insured against such perils and in such manner as would be customarily insured by companies carrying on a similar business or owning similar assets;
- (p) comply at all times with all Applicable Laws (including Applicable Securities Laws) and to advise the Agent promptly of any action, requests or violation notices received from any government or regulatory authority concerning the Borrower's operations which could have a Material Adverse Effect; and to indemnify and hold the Agent and the Lender harmless from all

liability of loss as a result of any non-compliance by the Borrower with any such Applicable Laws;

- (q) promptly provide the Agent with notice if any license of the Borrower required by the Borrower to conduct its business, as then conducted, is terminated, materially restricted or is threatened to be terminated or materially restricted;
- (r) not sell, transfer, convey, lease or otherwise dispose of any of its properties or assets, other than in the ordinary course of its business;
- (s) within 90 days of the Closing Date or such longer period of time as may be required, so long as the Borrower's banking arrangements are being maintained in the same manner at National Bank of Canada, transfer all of its banking arrangements from the National Bank of Canada to the Bank of Montreal (or such other institution as may be agreed by the Agent, acting reasonably), in each case subject to blocked account arrangements in favour of the Agent, all in form and substance satisfactory to the Agent;
- (t) cause to be discharged all security interests and mortgages held by the National Bank of Canada in accordance with the payout letter attached hereto as Schedule "D" (including, without limitation, paying all funds to National Bank of Canada as necessary to do so);
- (u) deliver to the Agent a Borrowing Base Certificate, monthly, not earlier than the 10th day and no later than the 30th day of each month;
- (v) within 30 days of the date hereof, provide (i) estoppel letters from secured creditors registered under the *Personal Property Security Act* (Ontario) as reasonably required by the Agent;
- (w) (i) forthwith upon release of all security interests in investment property held by National Bank of Canada in accordance with the payout letter attached hereto as Schedule "D", transfer such investment property to another financial institution and obtain and delivery first priority security interests and control agreements in favour of the Agent in respect of all such investment property; and (ii) within 30 days of the date hereof, use its commercially reasonable efforts to obtain control agreements in favour of the Agent in respect of all other investment property not subject to a control agreement at the Closing Date, including without limitation, giving reasonable consideration to using an alternate financial institution as securities intermediary, if necessary;

- (x) The Borrower agrees that as a specific condition to the Agent and Lender agreeing to provide the Facilities, the Borrower shall provide to the Agent the following regular reports:
- (i) On a weekly basis, a rolling thirteen-week cash flow (the “**Cash Flow Report**”) setting out, among other things, the Borrower’s forecast receipts and disbursements for a continuous thirteen-week forecast period in a form satisfactory to the Agent.
 - (ii) On a weekly basis, an “actual to budget” report setting out, among other things, the Borrower’s actual cash receipts and disbursements in comparison to the Cash Flow Report, prepared by the Borrower.
 - (iii) On a monthly basis, a financial reporting package prepared by the Borrower in a form acceptable to the Agent to include: the Borrowing Base, a monthly summary of the financial condition of the Projects, a statement of accounts receivable and accounts payable of the Obligors (that are corporations), aging reports of accounts receivable, a cheques held-off report and a certification of priority payables, all as set out in the form of Borrowing Base Certificate attached as Schedule “C”.
 - (iv) To make best efforts to deliver within 30 days (but not more than 45 days) of the end of each of the Borrower’s financial quarters, unconsolidated financial statements of the Borrower.
 - (v) On a monthly basis, a report on the status and progress in connection with the Borrower’s re-financing process to repay amounts owing under the Facilities.

Nothing contained in the above provisions shall limit, restrict or prevent the Agent or Lender from requesting such other information from the Borrower from time to time, at its discretion, as set out in other provisions of this Agreement.

- (y) not move any of the Collateral outside of the Province of Ontario without the Agent’s consent;
- (z) not permit any reorganization or change of control of the Borrower;
- (aa) not purchase or redeem its shares or units or otherwise reduce the capital of the Borrower without the Agent’s consent;
- (bb) not declare or pay any dividends, or distributions to shareholders, or repay any shareholders’ loans, interest thereon or share capital of the Borrower without the Agent’s consent;
- (cc) not make loans or advances (excluding for greater certainty, salaries and bonuses (which shall not be funded from the sale of

assets) payable in the ordinary course of business and in accordance with past practice) to shareholders, directors, officers or any other related or associated party, other than loans existing as of the Closing Date or to wholly-owned subsidiaries of the Borrower not to exceed the aggregate principal amount of \$500,000 at any time;

- (dd) not make any capital expenditures other than capital expenditures not exceeding \$500,000 in the aggregate in any fiscal year, provided that both before and immediately after each such capital expenditure is made no Event of Default has occurred and is continuing;
- (ee) not grant, create, assume or suffer to exist any mortgage, charge, Lien, pledge, security interest, including a purchase money security interest, or other encumbrance affecting the Collateral except for Permitted Encumbrances;
- (ff) not cancel any debt owing to it;
- (gg) not create, incur, assume or permit to exist any indebtedness, except indebtedness consented to in writing by the Agent, provided that "indebtedness" includes, without limitation, (i) debt for borrowed money or for the deferred purchase price of property or services (including reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers' acceptances, whether or not matured); (ii) all indebtedness created or arising under any conditional sale or other title retention agreements; (iii) a guarantee, indemnity or financial support obligation other than in the ordinary course of business; and (iv) capital lease obligations;
- (hh) not grant a loan or make an investment in or provide financial assistance to a third party by way of a suretyship, guarantee or otherwise except for (i) loans to wholly-owned subsidiaries as permitted in accordance with paragraph (aa) above, (ii) financial assistance existing as of the date of this Agreement, (iii) financial assistance delivered in connection with indebtedness secured by Permitted Encumbrances, and (iv) financial assistance in the form of bid bonds or surety bonds entered into in the ordinary course of business; and
- (ii) not change its name, merge, amalgamate, amend its constating documents or amend or enact new by-laws or otherwise enter into any other form of business combination with any other entity without the prior written consent of the Agent.

Security and other Requirements:

As general and continuing security for the performance by the Borrower of all of its obligations, present and future, to the Agent for and on behalf of the Lender, including, without limitation, the repayment of advances granted hereunder and the payment of interest, fees and any other amounts provided for hereunder and under the security documents, the Borrower undertakes to grant, as applicable,

or cause to be granted, to the Agent for and on behalf of the Lender and to maintain at all times the following security in form satisfactory to the Agent (the “**Security**”), in accordance with the forms in use by the Agent or as prepared by its solicitors:

- (a) a first priority, registered security agreement over all assets, on the Agent’s form, signed by the Borrower constituting a first ranking security interest in all of the Borrower’s interest in the Collateral;
- (b) a first priority, registered charge/mortgage and debenture from each of Ralph Aquino, 834076 Ontario Inc., 1033803 Ontario Inc. and 1087507 Ontario Limited in respect of the following real property:
 - (i) 4431 Stouffville Road, Stouffville, Ontario;
 - (ii) 407 Basaltic Road, Vaughan, Ontario;
 - (iii) 131 Saramia Crescent, Vaughan, Ontario; and
 - (iv) 3420 Highway 7 East, Brampton, Ontario, together with;
- (c) an assignment of adequate property insurance (including the Collateral in an amount not less than its Appraised Value);
- (d) limited recourse guarantee from Ralph Aquino, limited in recourse to a pledge of his shares in the Borrower (and delivery of all such shares together with blank stock transfer powers) and all real property Collateral owned by him;
- (e) unlimited personal guarantee from each of Steven Aquino and John Aquino;
- (f) a pledge of each of Steven Aquino’s and John Aquino’s shares in the Borrower (and delivery of all such shares together with blank stock transfer powers);
- (g) omnibus unlimited guarantee from 352021 Ontario Limited, 834076 Ontario Inc., 950504 Ontario Inc., 1033803 Ontario Inc., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 2032686 Ontario Limited, Bondfield Management Inc. and Bondfield Construction Equipment Limited;
- (h) first priority, registered omnibus general security agreement from the Borrower, 352021 Ontario Limited, 834076 Ontario Inc., 950504 Ontario Inc., 1033803 Ontario Inc., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 2032686 Ontario Limited, Bondfield Management Inc. and Bondfield Construction Equipment Limited;

- (i) control agreement from financial institutions holding investment property of any Obligor, in form and substance satisfactory to the Agent; and
- (j) assignment and postponement agreements from Ralph Aquino, John Aquino and Steven Aquino in respect of indebtedness, liabilities and obligations owed to them by any other Obligor.

The Borrower undertakes and agrees to grant, or cause to be granted, to the Agent for and on behalf of the Lender, such other security and supporting documents, certificates, insurance deliveries or instruments in respect of the Obligors (including such other third party postponement and subordinations, waivers and estoppels) as may be reasonably requested by the Agent from time to time.

Registration:

The Security will be registered or filed in all jurisdictions and in all offices as the Agent considers necessary or advisable from time to time to create, perfect or protect any Encumbrance created thereby.

Events of Default:

Without limiting any other rights of the Agent or the Lender under this Agreement, including the right of the Agent or the Lender to demand repayment at any time irrespective of the occurrence or continuance of an Event of Default, if any one or more of the following events (an “**Event of Default**”) has occurred and is continuing:

- (a) the Borrower fails to pay when due any principal, interest, fees or other amounts due under this Agreement or under any of the Security;
- (b) the Borrower fails to pay the Prepayment Amount in full within five (5) days of the prepayment date set forth in the Prepayment Notice issued by the Borrower;
- (c) the Borrower breaches any provision of this Agreement or any of the Security or other agreement with the Agent and such breach is not cured within five (5) days;
- (d) any Obligor is in default under the terms of any other contracts, instruments or agreements for borrowed money with any other creditor in an amount of \$500,000 or more;
- (e) any representation or warranty made or deemed to have been made in this Agreement or any other Credit Document, or in any written statement pursuant hereto or thereto, including any information certificate delivered in association with the entering into this Agreement, or in any report, financial statement or certificate made or delivered to the Agent by the Borrower, shall be untrue or incorrect as of the date when made or deemed made;
- (f) any Obligor which is a corporation ceases or threatens to cease to carry on business in the ordinary course;

- (g) any bonding facility made in favour of an Obligor that is a corporation is terminated or accelerated or an event of default is continuing and the effect is that demand arises thereunder;
- (h) any default or failure by any Obligor that is a corporation to make any payment of wages or other monetary remuneration payable by the Borrower to its employees under the terms of any contract of employment, oral or written, express or implied;
- (i) any default or failure by the Borrower to keep current all amounts owing to parties other than the Agent or the Lender who, in the Agent's sole opinion, have or could have a security interest, trust or deemed trust in the property, assets or undertaking of the Borrower which, in the Agent's sole opinion could rank in priority to the security held by the Agent upon the Collateral;
- (j) if, in the reasonable opinion of the Agent, there is a Material Adverse Change in the financial condition, ownership or operation of an Obligor;
- (k) an Obligor is unable to pay its debts as such debts become due, or is adjudged or declared to be or admit to being bankrupt or insolvent;
- (l) any judgment or award is made against an Obligor, in respect of which (i) in the opinion of the Agent, acting reasonably, is likely to cause a Material Adverse Effect with respect to the Obligor, (ii) there is not an appeal or proceeding for review being diligently pursued in good faith or (iii) adequate provision has not been made on the books of the Borrower; or
- (m) any notice of intention is filed or any voluntary or involuntary case or proceeding filed or commenced for:
 - (i) the bankruptcy, liquidation, winding-up, dissolution or suspension of general operations of an Obligor, or the approval of a plan or a proposal for liquidation by any of the shareholders of the Borrower;
 - (ii) the composition, rescheduling, reorganization, arrangement or readjustment of, or other relief from, or stay of proceedings to enforce, some or all of the debts of an Obligor;
 - (iii) the appointment of a trustee, receiver, receiver and manager, liquidator, administrator, custodian or other official for, all or any significant part of the assets of an Obligor;

- 14 -

- (iv) the possession, foreclosure, retention, sale or other disposition of, or other proceedings to enforce security over, all or any significant part of the assets of an Obligor; or
- (v) any secured creditor, encumbrancer or lienor, or any trustee, receiver, receiver and manager, agent, bailiff or other similar official appointed by or acting for any secured creditor, encumbrancer or lienor, takes possession of or forecloses or retains, or sells or otherwise disposes of, or otherwise proceeds to enforce security over all or any significant part of the assets of an Obligor or gives notice of its intention to do any of the foregoing,

then, in such event, the Agent may, by written notice to the Borrower declare all monies outstanding under the Facilities to be immediately due and payable. Upon receipt of such written notice, the Obligors shall immediately pay to the Agent all monies outstanding under the Facilities and all other obligations of the Borrower to the Agent in connection with the Facilities under this Agreement. The Agent may enforce its rights to realize upon its Security and retain an amount sufficient to secure the Agent for the Obligations to the Agent and the Lender.

Nothing contained in this section shall limit any right of the Lender under this Agreement to demand payment of the Facilities at any time.

Evidence of Indebtedness:

The Agent shall maintain records evidencing the Facilities. The Agent shall record the principal amount of the Facilities, the payment of principal and interest on account of the Facilities, and all other amounts becoming due to the Agent or the Lender under this Agreement.

The Agent's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Agent and the Lender pursuant to this Agreement.

Representations and Warranties:

The Borrower represents and warrants to the Agent and the Lender that:

- (a) each Obligor that is a corporation has been amalgamated or incorporated under the laws of its jurisdiction of incorporation and has not been terminated;
- (b) each Obligor that is a corporation is duly registered and licensed to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and it is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;

- (c) each Obligor that is a corporation has full corporate power and authority to carry on its business as now carried on by it;
- (d) each Obligor has complied and will fully comply with the requirements of all Applicable Laws;
- (e) each Obligor is in compliance with all Applicable Laws (including Applicable Securities Laws) in the jurisdictions in which it carries on business, has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations and statutes, and is not aware of any pending change or contemplated change to any Applicable Law that would materially affect its business or the legal environment under which it operates;
- (f) each Obligor which is a Corporation has or will have when required, all material licenses, permits, approvals, consents, certificates, registrations and other authorizations (collectively the “**Permits**”) under all Applicable Laws and regulations necessary for the operation of the businesses currently carried on, or proposed to be carried on, by it and each Permit is valid, subsisting and in good standing and it is not in default or breach of any Permit, and to the best of its knowledge, no material proceeding is pending or threatened to revoke or limit any Permit;
- (g) the execution, delivery and performance by the Obligors of this Agreement and all documents delivered in connection with this Agreement have been duly authorized by all necessary actions and do not violate the constating documents or any Applicable Laws or agreements to which it is subject or by which it is bound;
- (h) the Borrower’s financial statements most recently provided to the Agent fairly present its financial positions as of the date thereof and its results of operations and cash flows for the fiscal period covered thereby, and since the date of such financial statements, there has occurred no Material Adverse Change in the Borrower’s business or financial condition;
- (i) there is no claim, action, prosecution or other proceeding of any kind pending or threatened against any Obligor or any of its assets or properties (including any of its intellectual property) before any court or administrative agency which relates to any non-compliance with any law which, if adversely determined, might have a Material Adverse Effect upon its financial condition or operations or its ability to perform its obligations under this Agreement or any of the Security, and there are no circumstances of which it is aware which might give rise to any such proceeding which has not been fully disclosed to the Agent;

- (j) there is no litigation or governmental proceeding pending against any Obligor or, to the best of its knowledge, threatened against it which, if adversely determined, would materially adversely affect its financial condition;
- (k) no Obligor is a party to any agreement or instrument, or subject to any corporate restriction or any judgment, order, writ, injunction, decree, award, rule or regulation, which has had a Material Adverse Effect or, to the best of its knowledge, in the future is likely to have a Material Adverse Effect, its ability to enter this Agreement or any other Credit Document or to perform its obligations under this Agreement or any other Credit Document;
- (l) no Obligor which is a corporation has contingent liabilities which are not disclosed on or referred to in the financial statements most recently delivered to the Agent which would have a Material Adverse Effect on its business or prospects;
- (m) each Obligor has good and marketable title to the Collateral pledged by it pursuant to the Security free and clear of any Encumbrances, other than Statutory Encumbrances, Permitted Encumbrances or as may otherwise be provided for herein;
- (n) no Default has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, an Event of Default, a breach of any covenant or other term or condition of this Agreement or any of the Security given in connection therewith; and
- (o) each Obligor has filed all tax returns which were required to be filed by it, if any, paid or made provision for payment of all taxes (including interest and penalties) which are due and payable, if any and provided adequate reserves for payment of any tax, the payment of which is being contested, if any.

Books and Records:

The Borrower agrees, upon request and 24 hours prior written notice, to promptly provide the Agent with unfettered access to the books and records of the Obligors.

Confidentiality:

The terms of this Agreement are confidential, and accordingly the Borrower will not disclose the contents of this Agreement to anyone except its professional advisors or as required under Applicable Laws.

General:

Credit: The Borrower authorizes the Agent, hereinafter, to obtain such factual and investigative information regarding it, from others as permitted by law, and to furnish other consumer credit grantors and credit bureaus such information.

The Borrower further authorizes any financial institution, creditor, tax authority, employer or any other person, including any public entity, holding information concerning it, or its assets, including any financial information or information with respect to any undertaking or suretyship given by the Borrower, to supply such information to the Agent in order to verify the accuracy of all information furnished or to be furnished from time to time to the Agent and to ensure the solvency of the Borrower at all times.

Non-Merger: The provisions of this Agreement shall not merge with any of the Security, but shall continue in full force and effect for the benefit of the parties hereto. In the event of an inconsistency between this Agreement and any of the Facilities and security documentation, including the Security, the provisions of this Agreement shall prevail.

Further Assurances and Documentation: The Borrower shall do all things and execute all documents deemed necessary or appropriate by the Agent for the purposes of giving full force and effect to the terms, conditions, undertakings hereof and the Security granted or to be granted hereunder.

Severability: If any provisions of this Agreement is or becomes prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate or render unenforceable the provision concerned in any other jurisdiction nor shall it invalidate, affect or impair any of the remaining provisions of this Agreement.

Notice: Any communication or notice to be given pursuant to this Agreement may be effectively given by delivering the same at the addresses set out below, or by sending the same by pdf or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the fifth (5th) day next following the mailing thereof, provided that postal service is in normal operation during such time. Any pdf notice will be deemed to have been received on transmission if sent prior to 3:00 pm on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of this Agreement. It is the Borrower's obligation to notify the Agent of any change to its address. If the Agent is not advised of such change of address, the last known address that the Agent has will be deemed to be the current address for purposes of notice and service under this Agreement.

If to the Borrower:

Bondfield Construction Company Limited
407 Basaltic Road
Concord, Ontario
L4K 4W8

Attention: John Aquino
Email: jaquino@bondfield.com

- and -

If to the Agent and the Lender:

c/o Bridging Finance Inc.
Suite 2925
77 King Street West
P.O. Box 322
Toronto, Ontario
M5K 1K7

Attention: Natasha Sharpe, Chief Investment Officer
Email: nsharpe@bridgingfinance.ca

Exhibit and Schedules: The Exhibit and Schedules attached to this Agreement are incorporated by reference herein and are deemed to be part hereof.

Marketing: The Agent and the Lender shall be permitted to use the name of the Borrower and the amount of the Facilities for advertising purposes.

Governing Law: This Agreement and all agreements arising hereinafter shall be deemed to have been made and accepted in the City of Toronto, Ontario and construed in accordance with and be governed by the laws of the Province of Ontario and of Canada applicable therein.

Counterparts: This Agreement, the Security and all agreements arising hereinafter may be executed in any number of separate counterparts by any one or more of the parties thereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterpart.

Assignment and Syndication: This Agreement when accepted and any commitment to advance, if issued, and the Security in furtherance thereof may not be assigned or sold by the Agent or the Lender prior to an Event of Default which has been accelerated, nor may any monies required to be advanced be syndicated by the Agent or the Lender prior to an Event of Default which has been accelerated. Following an Event of Default which has been accelerated, the Agent and the Lender may assign or grant participation in all or part of this

Agreement or in the Facilities made hereunder without notice to and without the consent of the Borrower. The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement, any such transfer or assignment being null and void insofar as the Agent and the Lender are concerned and rendering any balance then outstanding under the Facilities immediately due and payable at the option of the Agent and the Lender. For greater certainty, the Agent and Lender each agree that as long as there has not been an Event of Default which has been accelerated, neither the Agent nor Lender shall, with any third party, (i) discuss or solicit interest in acquiring or participating; or (ii) trade, sell assign or otherwise convey or create a third-party interest in or to, the Facilities or the Security.

Time: Time shall be of the essence in all provisions of this Agreement.

Whole Agreement, Amendments and Waiver: This Agreement, the Security and any other written agreement delivered pursuant to or referred to in this Agreement constitute the whole and entire agreement between the parties in respect of the Facilities. There are no verbal agreements, undertakings or representations in connection with the Facilities. No amendment or waiver of any provision of this Agreement will be effective unless it is in writing signed by the Borrower, and the Agent. No failure or delay on the part of the Agent or the Lender in exercising any right or power hereunder or under any of the Security shall operate as a waiver thereon. No course of conduct by the Agent or the Lender will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Security or the Agent's or the Lender's rights thereunder.

- Signature page follows -

If the terms and conditions of this Agreement are acceptable to you, please sign in the space indicated below and return the signed copy of this Agreement to us. Acceptance may also be effected by facsimile or scanned transmission and in counterpart.

We thank you for allowing us the opportunity to provide you with this Agreement.

Yours truly,

BRIDGING FINANCE INC., as agent

Per: 

Name: Natasha Sharpe
Title: Chief Investment Officer

I have authority to bind the Corporation.

ACCEPTANCE

The undersigned hereby accepts this Agreement this ____ day of _____, 2017.

BONDFIELD CONSTRUCTION COMPANY LIMITED, as Borrower

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

If the terms and conditions of this Agreement are acceptable to you, please sign in the space indicated below and return the signed copy of this Agreement to us. Acceptance may also be effected by facsimile or scanned transmission and in counterpart.

We thank you for allowing us the opportunity to provide you with this Agreement.

Yours truly,

BRIDGING FINANCE INC., as agent

Per: _____

Name: Natasha Sharpe
Title: Chief Investment Officer

I have authority to bind the Corporation.

ACCEPTANCE

The undersigned hereby accepts this Agreement this 24th day of July, 2017.

BONDFIELD CONSTRUCTION COMPANY LIMITED, as
Borrower

Per: _____

Name: John Aquino
Title: Vice-President

Per: _____

Name:
Title:

I/We have authority to bind the Corporation.

SCHEDULE “A”

DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the following terms shall have the following meanings:

- (a) “**Affiliate**” has the meaning given thereto in the *Canada Business Corporations Act*.
- (b) “**Applicable Laws**” means, with respect to any person, property, transaction or event, all present or future statutes, regulations, rules, orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction, in each case, having the force of law in any applicable jurisdiction.
- (c) “**Applicable Securities Laws**” means the securities acts in all provinces of Canada where applicable to the Borrower, together with all the regulations and rules made and promulgated thereunder and all administrative policy statements, instruments, blanket orders and rulings, notices and administrative directions issued by the securities commission or equivalent regulatory authority in the provinces of Canada.
- (d) “**Appraised Value**” means the appraised value of the Secured Properties based on appraisals delivered by the Borrower on the Closing Date, as the value may be adjusted based upon any updated appraisals requested by the Lenders not more than once a year, provided that the Appraised Value shall be nil for any Secured Property if it ceases to be owned by the applicable Obligor or ceases to be subject to the duly perfected first-priority Encumbrances of the Security, subject only to Permitted Encumbrances.
- (e) “**Associate**” or “**associate**” means, with respect to any Person, an “associate” of such Person as defined in the *Canada Business Corporations Act*.
- (f) “**Borrowing Base**: means, on any date of determination:
 - (i) an amount equal to the sum of the following:
 - (A) 60% of the Appraised Value of the Secured Properties,
 - (B) 85% of the value of Investment/Government Grade/Letter of Credit Backed Eligible Receivables,
 - (C) 75% of the value of all Other Eligible Receivables,
 - (D) 80% of the liquidation value of all machinery and equipment owned by the Borrower over which the Agent holds a first priority Encumbrance, and
 - (E) 95% of the market value from time to time of Investment Property (as defined in the *Personal Property Security Act* (Ontario)) owned by the Borrower, any Guarantor or John Aquino over which the Agent holds a first priority Encumbrance (or such other contractual arrangements as are in form and substance satisfactory to the Agent);
 - (ii) Less the Priority Payables.

- (g) “**Borrowing Base Certificate**” means a certificate in the form of Schedule “C”.
- (h) “**Business Day**” means any day other than a Saturday or a Sunday or any other day on which banks are closed for business in Toronto.
- (i) “**Capital Lease**” means any lease that is not an Operating Lease.
- (j) “**Claim**” means any amount received in respect of the delay claims made against (a) “Project 18-15” the Toronto York Spadina Subway Extension Wilson Yard Modification Site Services Phase 1; and (b) the construction of a new Burlington GO Station.
- (k) “**Closing Date**” means July 24, 2017.
- (l) “**Contract**” means any agreement, contract, indenture, Lease, deed of trust, licence, option, undertaking, promise or any other commitment or obligation in writing, other than a Permit.
- (m) “**Core Business**” means the construction of government buildings, specifically hospitals, libraries, long-term care facilities, correctional facilities, universities and water treatment facilities.
- (n) “**Credit Documents**” shall mean this Agreement and all security agreements, hypothecs, mortgages and all other documents, instruments, certificates, and notices at any time delivered by any person (other than Agent, the Lender or affiliates of either of them) in connection with any of the foregoing.
- (o) “**Collateral**” means all present and future real and personal property, together with the proceeds thereof, all claims of the Borrower against third parties for loss of, damage to, or destruction of and all payments due or to become due under leases, rentals and hires of, any or all of such equipment and proceeds payable under, or unearned premiums with respect to the policies of insurance to the extent pertaining to such equipment pledged and granted to the Agent to secure, either directly or indirectly, repayment of any of the Obligations.
- (p) “**Default**” means any of the events specified in the Section of this Agreement entitled “Events of Default” which constitutes an Event of Default or which, upon the giving of notice, the lapse of time, or both, would, unless cured or waived, become an Event of Default.
- (q) “**Eligible Receivables**” means, as of the applicable date of such calculation, the aggregate value of normal course accounts receivable (net of Holdbacks) which are outstanding and arise from the delivery or provision of *bona fide* services by an Obligor in the ordinary course of the Core Business to arm’s length third parties or the delivery or provision of *bona fide* services by an Obligor to the Project Entities in the ordinary course of their respective business, less the aggregate value (without duplication) of any such accounts receivable:
 - (i) that are not then subject to the duly perfected first-priority Encumbrances of the Security or are subject to any Encumbrance other than a Permitted Encumbrance;
 - (ii) which have been outstanding for a period of greater than ninety (90) days or are due from Persons that are the subject of bankruptcy or insolvency proceedings or with respect to which a cheque, note, draft or other payment instrument has not been honoured in accordance with its terms or for which collection is otherwise doubtful;

- (iii) due from Affiliates, Associates, Related Parties or any employee, officer, director or shareholder of any Obligor;
 - (iv) that are subject to any non-frivolous claim by an account debtor for credit, set off, allowance, adjustment, counterclaim or partial discharge;
 - (v) that are owing by a Governmental Authority, unless (i) the accounts receivable are “Crown debts” as defined in the *Financial Administration Act* (Canada) and the receivables have been assigned to the Agent in compliance with the *Financial Administration Act* (Canada), or (ii) the accounts receivables are due from the Government of Ontario or any department, agency, Crown corporation or other instrumentality thereof (including, without limitation, Infrastructure Ontario) and the Obligors have complied with all Applicable Laws relating to taking security in such accounts receivables; or
 - (vi) owed by Persons whose principal place of business is located outside Canada or that is payable in a currency other than Canadian dollars.
- (r) **“Encumbrance”** means:
- (i) with respect to any Property, any mortgage, deed of trust, lien, pledge, hypothec, hypothecation, encumbrance, charge, assignment, consignment, security interest, royalty interest, adverse claim or defect of title in, on or of the Property;
 - (ii) the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or title retention agreement relating to an asset;
 - (iii) any purchase option, call or similar right of a third party in respect of any Property;
 - (iv) any netting arrangement, set off arrangement, defeasance arrangement or other similar arrangement arising by Contract (other than customary bankers’ liens); and
 - (v) any other agreement, trust or arrangement having the effect of security for the payment or performance of any debt, liability or obligation,
- and **“Encumbrances”**, **“Encumbrancer”**, **“Encumber”** and **“Encumbered”** shall have corresponding meanings.
- (s) **“GAAP”** means generally accepted accounting principles which are in effect from time to time in Canada, as established by the Canadian Institute of Chartered Accountants or any successor institute.
- (t) **“Governmental Authority”** means (i) any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and (ii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

- (u) “**Holdback**” means any amount that is a holdback or has been withheld from payment pursuant to the *Construction Lien Act* (Ontario) or equivalent applicable legislation in another jurisdiction.
- (v) “**Investment/Government Grade/Letter of Credit Backed Eligible Receivables**” means Eligible Receivables (a) owing by a Person with a BBB- (or better) credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies Inc., and its successors, or a baa3 (or better) credit rating from Moody's Investors Service, Inc., and its successors, (b) owing by the Government of Canada or Ontario or any department, agency, Crown corporation or other instrumentality thereof (provided the conditions set out in clause (v) of the definition of “Eligible Receivables” have been satisfied), or (c) secured by a letter of credit issued by a bank carrying on business in Canada or another financial institution, acceptable to the Agent, in form and substance satisfactory to the Lender.
- (w) “**IO Project Entities**” means 2147928 Ontario Inc., 2164980 Ontario Inc., 2338301 Ontario Inc., 2423402 Ontario Inc., 2423403 Ontario Inc., 2442931 Ontario Inc., 2433485 Ontario Inc., 2433486 Ontario Inc. and each other Subsidiary of the Borrower incorporated from time to time whose sole purpose is the development of a P3 project with Infrastructure Ontario and “IO Project Entity” means any of them.
- (x) “**Lease**” includes any lease, sublease, offer to lease or sublease or occupancy or tenancy agreement, and “**Leased**” shall have a corresponding meaning.
- (y) “**Lien**” means any mortgage, charge, pledge, hypothecation, security interest, assignment, encumbrance, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition that in substance secures payment or performance of an obligation.
- (z) “**Loan Documents**” means this Agreement, all Security, the Fee Letter, any intercreditor or interlender agreement, any subordination or postponement agreement or assignment and postponement of claims and all other documents executed from time to time relating to the Facilities or any of them.
- (aa) “**Material Adverse Change**” means any change, condition or event which, when considered individually or together with other changes, conditions, events or occurrences could reasonably be expected to have a Material Adverse Effect.
- (bb) “**Material Adverse Effect**” means any Material Adverse Change in or effect on (a) the business, assets, liabilities, financial condition, results of operations or prospects of the Obligor taken as a whole; (b) the ability of any Obligor to observe, perform or comply with its obligations under any of the Loan Documents; or (c) the rights and remedies of the Agent or any of the Lenders under any of the Loan Documents.
- (cc) “**Material Change**” has the meaning defined in the Applicable Securities Laws.
- (dd) “**Obligations**” means the obligations and liabilities relating to the Facilities, and other indebtedness, advances, debts, liabilities, obligations, covenants and duties owing by the Borrower to the Agent, the Lender or any other Person required to be indemnified, that arises under any Credit Document, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guaranty, indemnification or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired.

- (ee) **“Operating Lease”** means a lease that would be considered to be an operating lease in accordance with GAAP.
- (ff) **“Other Eligible Receivables”** means Eligible Receivables other than Investment/Government Grade/Letter of Credit Backed Eligible Receivables.
- (gg) **“Other Secured Agreements”** means all agreements or arrangements relating to cash consolidation, cash management, credit card, electronic funds transfer and other arrangements and facilities (including mirror netting services and other money management services agreements), in each case, from time to time entered into between the Borrower and a Lender or Other Secured Party or provided by a Lender or Other Secured Party to the Borrower; and, for greater certainty, all such agreements and arrangements shall not cease to be an Other Secured Agreement if such Person ceases to be a Lender or have an Affiliate which is a Lender.
- (hh) **“Other Secured Party”** means, at any time (a) a Lender or an Affiliate of a Lender which at such time is a creditor under or in connection with an Other Secured Agreement, or (b) an Affiliate of a former Lender or a former Affiliate of a Lender or former Lender, which at such time is a creditor under or in connection with an Other Secured Agreement.
- (ii) **“Permits”** means licences, certificates, authorizations, consents, registrations, exemptions, permits, attestations, approvals, characterization or restoration plans, depollution programmes and any other approvals required by or issued pursuant to any Applicable Law, in each case, against a Person or its Property which are made, issued or approved by a Governmental Authority.
- (jj) **“Permitted Encumbrances”** means, with respect to any Person, the following:
- (i) liens for taxes, assessments or governmental charges or levies which are not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or the validity of which is being contested in good faith by appropriate proceedings and for which the Person has set aside adequate reserves in accordance with GAAP and which do not have, and will not reasonably be expected to have, a Material Adverse Effect;
 - (ii) inchoate or statutory liens of contractors, subcontractors, workers, suppliers, material men, carriers and others in respect of construction, maintenance, repair or operation of assets of the Person, in respect of which (i) adequate holdbacks are being maintained as required by applicable law, and (ii) (x) which have not at such time been filed or exercised and of which none of the Lenders have been given notice, or (y) which relate to obligations not due or payable or if due, the validity of which is being contested in good faith by appropriate proceedings and for which such Person has set aside adequate reserves in accordance with GAAP and which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person;
 - (iii) easements, rights of way, licences, servitudes, restrictions, restrictive covenants, and similar rights in real property comprised in the assets of the Person or interests therein (including in respect of sewers, drains, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person;

- (iv) in the case of real property, title defects or irregularities which are of a minor nature and which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person and do not have, and will not reasonably be expected to have, a Material Adverse Effect;
- (v) the Encumbrance resulting from the deposit of cash or securities in connection with contracts, bids, trade contracts, statutory obligations, surety and appeal bonds, performance bonds, tenders or expropriation proceedings, or to secure workers' compensation, employment insurance, and other similar obligations, in each case in the ordinary course of business;
- (vi) the Encumbrance created by a judgment of a court of competent jurisdiction; provided, however, that the Encumbrance is in existence for less than 30 days after its creation or the execution or other enforcement of the Encumbrance is effectively stayed and the claims so secured are being actively contested in good faith and by proper legal proceedings and do not result in the occurrence of an Event of Default;
- (vii) the reservations, limitations, provisos and conditions, if any, expressed in any original grant from the Crown of any real property or any interest therein which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person;
- (viii) Encumbrances given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Person which do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person;
- (ix) servicing agreements, development agreements, site plan agreements, and other agreements with Governmental Authorities pertaining to the use or development of any real or immovable Property of the Person, provided same are complied with and do not materially reduce the value of the affected asset or materially interfere with the use of such asset in the operation of the business of the Person;
- (x) the right reserved to or vested in any Governmental Authority by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of the Person, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;
- (xi) Encumbrances in favour of the Agent created by the Security;
- (xii) Encumbrances in relation to the Borrower's pledge of shares of the various IO Project Entities;
- (xiii) Purchase Money Encumbrances and Capital Leases provided that the aggregate principal amount (or fair market value of Property Encumbered if no principal amount is designated) of all Purchase Money Encumbrances and Capital Leases for all Obligors, does not exceed \$750,000 in aggregate for all Obligors at any time;
- (xiv) the Encumbrances listed in the title opinion of the Borrower's counsel delivered on the Closing Date registered against the Secured Properties, provided however, in the case of

the mortgages/charges in favour of Ralph Aquino, the mortgages/charges are subordinated and postponed to the Security on terms and conditions satisfactory to the Lender;

- (xv) a lease of premises granted by an Obligor: (i) in respect of a period for one year or less (including renewals); (ii) in the ordinary course of business on commercially reasonable terms and conditions between Persons dealing at arms-length for purposes of the *Income Tax Act* (Canada); or (iii) and disclosed in writing to the Agent prior to the date hereof; and
- (xvi) other Encumbrances not referred to in the preceding clauses which have been expressly consented to in writing by the Agent with the consent of the Required Lenders.
- (kk) “**Person**” has the meaning defined in the Provisions and “**person**” has the same meaning.
- (ll) “**PPSA**” means the *Personal Property Security Act* (Ontario) as the same may be amended from time to time.
- (mm) “**Prepayment Notice**” means a written notice in the form given to the Agent by the Borrower pursuant to the Prepayment provisions of this Agreement.
- (nn) “**Priority Payables**” means, at any time, any liability of any Obligor that ranks or is capable of ranking in any circumstances, in right of payment or as to security, in priority to any of the Secured Obligations or Security, and may include unpaid wages, salaries and commissions, vacation pay, arrears of rent, amounts owed in respect of workers' compensation, unpaid pension plan amounts, amounts owed to unpaid vendors who have a right of repossession, amounts owing to contractors or subcontractors of the Obligor in respect of which amounts a construction lien or trust claim has been claimed or asserted in accordance with the *Construction Lien Act* (Ontario) or applicable equivalent legislation and which has not been vacated by posting a lien bond and court order, amounts owing to creditors which may claim priority by statute or under a Purchase Money Encumbrance, and amounts due to any Governmental Authority in respect of statutory liens and other Encumbrances (including sales and excise taxes, GST, QST, HST, unremitted source deductions, unpaid Taxes, employee deductions including EI, CPP and income tax, unpaid wages, withholdings, etc.), but excluding amounts secured by the trusts arising under the *Construction Lien Act* (Ontario) and equivalent applicable legislation in another jurisdiction provided that the applicable Obligor is not in breach or default of its obligations under the contracts or subcontracts to which such trusts relate.
- (oo) “**Project Entities**” means, collectively, the IO Project Entities and the Solar Project Entities and “**Project Entity**” means any of them.
- (pp) “**Purchase Money Encumbrance**” means, in relation to any Person, Encumbrances (including Capital Leases) on or of equipment, machinery, vehicles or leasehold improvements and any proceeds thereof created or assumed prior to or at the time of acquisition of such assets by that Person for the purpose of financing the acquisition or to secure the unpaid purchase price thereof (including the principal amount of any Capital Lease or any title retention agreement) on normal trade terms up to an amount not exceeding the lesser of the acquisition price of such assets payable by that Person and its fair market value at the time of its acquisition by that Person, and any renewals or replacements of any such Encumbrances on such assets provided that the amounts secured by such Encumbrances do not increase above the amounts secured as at the date

of renewal or replacement and such Encumbrances do not extend or apply to any other Property of the Person.

- (qq) “**Related Party**” means, in relation to any Person, a “related party” in respect of such Person within the meaning of Ontario Securities Commission Multilateral Instrument 61-101.
- (rr) “**Secured Properties**” means the properties located at (i) 407 Basaltic Crescent, Vaughan, Ontario; (ii) 3420 Queen Street, Brampton, Ontario; (iii) 4431 Stouffville Road, Stouffville, Ontario; and (iv) 131 Saramia Drive, Vaughan, Ontario, and each additional real property subject to a charge in favour of the Agent.
- (ss) “**Security**” means all guarantees and security held from time to time by or on behalf of any of the Agent and the Lender (including guarantees and security held by the Agent), securing or intended to secure or support repayment of any of the Secured Obligations, including, without limitation, the security and guarantees described in this Agreement from time to time.
- (tt) “**Solar Project Entities**” means each Subsidiary of the Borrower incorporated from time to time as a special purpose vehicle whose sole purpose is the development of a solar project that is financed by a third party and whose obligations are non-recourse to any Obligor.
- (uu) “**Statutory Encumbrances**” means any Encumbrances arising by operation of Applicable Laws, including, without limitation, for carriers, warehousemen, repairers’, taxes, assessments, statutory obligations and government charges and levies for amounts not yet due and payable or which may be past due but which are being contested in good faith by appropriate proceedings (and as to which there are no other enforcement proceedings or they shall have been effectively stayed).
- (vv) “**Subsidiary**” or “**subsidiary**” means, with respect to a Person, a subsidiary of such Person as defined in the *Canada Business Corporations Act* (determined as if each such Person was a body corporate), and any other Person in which the Person or any Subsidiary of the Person has the right, directly or indirectly, through one or more intermediaries, to make or control management decisions.
- (ww) “**Taxes**” means all present and future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable to them.

Words importing the singular include the plural thereof and vice versa and words importing gender include the masculine, feminine and neuter genders.

SCHEDULE "B"**NOTICE OF CREDIT ADVANCE**

DATE: _____, 2017

Bridging Finance Inc.
 Suite 2925
 77 King Street West
 P.O. Box 322
 Toronto, Ontario
 M5K 1K7

Attention: Dariusz Szypula
 E-MAIL: operations@bridgingfinance.ca

BORROWING NOTICE

We refer to the Loan Agreement dated as of July 24, 2017(as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Agreement**". Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Agreement), among Bondfield Construction Company Limited (the "**Borrower**") and Bridging Finance Inc. (the "**Agent**").

We hereby instruct and authorize the Agent to make Revolving Credit Advances to our disbursement account(s), subject to and in accordance with the terms and provisions of the Agreement to the account numbers specified below and to charge the Borrower's loan account with each such Revolving Credit Advance(s).

The Borrower hereby requests an advance (the "**Advance**") be made as follows:

- A. **Facility:** Term _____ Liquidity_____
- B. **The date of Advance:** _____
- C. **Type/amount of Advance:** CAD: _____

The Borrower hereby confirms as follows:

- (a) Each of the representations and warranties made by each of the Obligors in or pursuant to the Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except as the Agent may have otherwise agreed to herein or in a separate writing.
- (b) No Default has occurred as of the date hereof or will occur after the making of the Advance(s) requested hereunder.

(c) The outstanding Borrowings, after giving effect to the Borrowing requested hereunder, under the Agreement will not exceed the Borrowing Base.

DATED this _____ day of _____, 2017

BONDFIELD CONSTRUCTION COMPANY LIMITED

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

SCHEDULE "C"

BORROWING BASE CERTIFICATE

TO: Bridging Finance Inc.
Suite 2925
77 King Street West
P.O. Box 322
Toronto, Ontario
M5K 1K7

Attention: Dariusz Szypula
E-MAIL: operations@bridgingfinance.ca

FROM: Bondfield Construction Company Limited

This Borrowing Base Certificate is delivered to you pursuant to the credit agreement made as July 24, 2017 between, *inter alia*, the Borrower, the Agent and the Lenders parties thereto from time to time, as amended, supplemented, restated or replaced from time to time (the "Credit Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings given thereto in the Credit Agreement.

The following calculations determine the Borrowing Base in accordance with the relevant definitions as set forth in the Credit Agreement and the other Loan Documents.

The Borrower hereby certifies, that as at _____:

Borrowing Base

A.	85% of the value of Investment/Government Grade/Letter of Credit Backed Eligible Receivables	\$_____	x .85	= \$_____
B.	60% of the Appraised Value of the Secured Properties	\$_____	x .60	= \$_____
C.	75% of the value of all Other Eligible Receivables	\$_____	x .75	= \$_____
D.	80% of the liquidation value of equipment	\$_____	x .80	= \$_____
E.	95% of investment property	\$_____	x .95	= \$_____
F.	Sum of (A) and (B) and (C) and (D) and (E)			= \$_____

MINUS

- G. Priority Payables = \$ _____
- H. Borrowing Base = (F) minus (G) = \$ _____

Attached hereto as Annex 1 is a detailed list of all Investment/Government Grade/Letter of Credit Backed Eligible Receivables broken down by the Borrower and each other Obligor outlining (i) the aging of such Investment/Government Grade/Letter of Credit Backed Eligible Receivables, (ii) the currency in which they are denominated and (iii) any deductions, sales discounts, volume rebates, returns and allowances.

Attached hereto as Annex 2 is a detailed list of all Other Eligible Receivables broken down by the Borrower and each other Obligor outlining (i) the aging of such Other Eligible Receivables (ii) the currency in which they are denominated and (iii) any deductions, sales discounts, volume rebates, returns and allowances.

The Borrower hereby represents and warrants that this Certificate is a correct statement regarding the status of the Borrowing Base and the amounts set forth herein are in compliance with the provisions of the Credit Agreement. The Borrower further represents and warrants that, in relation to calculation of the Borrowing Base there have been no changes to accounting policies, practices and calculation methods from the accounting policies, practices and methods used by the Borrower as at the date of the Credit Agreement, other than as required under GAAP as agreed to by the Agent.

DATED this _____ day of _____, 2017

BONDFIELD CONSTRUCTION COMPANY LIMITED

Per: _____
 Name:
 Title:

Per: _____
 Name:
 Title:

I/We have authority to bind the Corporation.

ANNEX 1

**INVESTMENT/GOVERNMENT GRADE/
LETTER OF CREDIT BACKED ELIGIBLE RECEIVABLES**



ANNEX 2

OTHER ELIGIBLE RECEIVABLES



SCHEDULE "D"
PAYOUT LETTER

D

July 10, 2018

Bridging Finance Inc., as Agent
77 King St West, Suite 2925
PO Box 322
Toronto, Ontario
M5K1K7

Attention: Natasha Sharpe

Dear Ms. Sharpe:

Re: Letter Agreement and credit facility dated as of July 24, 2017 made between Bridging Finance Inc. (in its capacity as agent, the "Agent"), as agent for and on behalf of any of the funds sub-advised or managed by Bridging Finance Inc. (collectively, the "Lender"), in favour of Bondfield Construction Company Limited (the "Borrower") and the Guarantors (the "Credit Agreement").

Capitalized terms used herein and not defined herein shall have the meaning given to them in the Credit Agreement. The Borrower hereby requests that the Agent provide an extension to the Term of the Credit Agreement such that the definition of "Term" be deleted in its entirety and replaced as follows:

"Term: The earlier of (i) demand by the Agent or the Lender, and (ii) October 22, 2018 (the "Term")."

Except as expressly waived by this Agreement, no other waivers, changes, consents or modifications to the terms of the Loan Documents are intended or implied and the terms and conditions of the Credit Agreement and the other Loan Documents shall remain in full force and effect.

This Agreement and the amendment provided hereunder, shall become effective upon this Agreement having been executed and delivered by the Borrower and the Agent.

The Credit Agreement, as amended hereby, shall remain in full force and effect and is hereby ratified and confirmed. The Credit Agreement and this Agreement shall be read, taken and construed as one and the same document. This Agreement shall be deemed to be a "Loan Document" for all purposes under the Credit Agreement.

Each reference to the Credit Agreement in any of the Loan Documents (including the Credit Agreement) shall be deemed to be a reference to the Credit Agreement as amended by the Amendment.

This Agreement may be executed in any number of separate counterparts and by facsimile or pdf copy, each of which shall be deemed an original and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

This Agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

Yours Truly,

**BONDFIELD CONSTRUCTION
COMPANY, as Borrower**

By: _____

Name: John Aquino

Title: President

I have the authority to bind the Corporation

The undersigned hereby accepts this Agreement and the amendments contained herein this 10th day of July 2018.

BRIDGING FINANCE INC., as Agent

By: _____

Name: Natasha Sharpe

Title: Chief Investment Officer

I have the authority to bind the Corporation

E

OMNIBUS GENERAL SECURITY AGREEMENT

TO: **BRIDGING FINANCE INC.**, in its capacity as administrative agent (together with its successors and assigns, the “Agent”) for and on behalf of and for the benefit of itself and the other Secured Parties (as defined below)

DATED: As of July 24, 2017

RECITALS:

- A. Each of the undersigned, together with such other Persons who become party hereto by executing and delivering to the Agent an Instrument of Adhesion (as hereinafter defined) (collectively, the “**Grantors**” and, individually, a “**Grantor**”) is, together with other Persons, a party to the Credit Agreement (as defined below).
- B. Each Grantor is entering into this general security agreement (the “**Agreement**”) to provide security for the payment and performance of its Secured Obligations.

IN CONSIDERATION of the foregoing premises, the sum of \$10.00 in lawful money of Canada now paid by the Agent and the other Secured Parties to the Grantors and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Grantors, and intending to be legally bound hereby, each of the Grantors agrees as follows:

1. Definitions

In this Agreement capitalized terms used herein and not defined herein shall have the meanings defined in the Credit Agreement (as defined below), terms defined in the *Personal Property Security Act* (Ontario) (as amended from time to time, the “**PPSA**”) and used in this Agreement shall have the same meanings, and the following terms shall have the following meanings:

- (a) “**Credit Agreement**” means the credit agreement made as of July 24, 2017 amongst Bondfield Construction Company Limited (the “**Borrower**”), as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Persons who are, and from time to time become, parties thereto as lenders.
- (b) “**Excluded Collateral**” means an equity interest in the IO Project Entities.
- (c) “**Event of Default**” means (i) an “Event of Default” as defined in the Credit Agreement, (ii) a “default” or “event of default” as defined in any other Secured Agreement, or (iii) any other event or circumstance which (x) entitles the Agent or the other Secured Parties to cause, or has the effect of causing, any obligations under any Secured Agreement to become due at or prior to any stated maturity or the termination of any Secured Agreement or, in the case of obligations payable on demand, which causes such obligations to become immediately due and payable, or (y) results in any Encumbrance contained in any security securing payment or

performance of Secured Obligations becoming enforceable either with or without the giving of further notice.

- (d) “**PPSA**” has the meaning defined in Section 3.
- (e) “**Secured Agreements**” means the Credit Agreement, the other Loan Documents and all other instruments or agreements under which arise any Secured Obligations, and includes all amendments, supplements, restatements and replacements thereto and thereof from time to time. Any reference herein to the “Secured Agreements” means and includes any one or more of them.
- (f) “**Secured Obligations**” means all indebtedness, liabilities and obligations of each Grantor to the Secured Parties, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by each Grantor to the Secured Parties in any currency, and wherever incurred, and whether incurred by the Grantor alone or with another or others and whether as principal or surety, under or in connection with the Credit Agreement and the other Loan Documents (including any guarantees of the obligations of the Borrower) and all cash consolidation, cash management, foreign exchange, credit card, electronic funds management and other arrangements and facilities (including account consolidation, mirror netting services and other money management services agreements) established by the Secured Parties for the Grantor from time to time, and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Agreement. In this definition, “Secured Parties” shall be interpreted as “Secured Parties, or any of them”.
- (g) “**Secured Parties**” means all Persons from time to time defined as a “Lender”, “Agent”, “Administrative Agent” or “Other Secured Party” in the Credit Agreement, in their various capacities as creditors under the Secured Agreements.

2. **Certain Rules of Interpretation, etc.**

- (a) This Agreement has been negotiated by each party with the benefit of legal representation and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.
- (b) In this Agreement:
 - (i) the division into sections and other subdivisions thereof and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
 - (ii) unless specified otherwise or the context otherwise requires:
 - (1) references to any Section or Schedule are references to the Section of, or Schedule to, this Agreement;

- (2) “including” or “includes” means “including (or includes) but not limited to” and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;
- (3) references to contracts, agreements or instruments, unless otherwise specified, are deemed to include all present and future amendments, supplements, restatements or replacements to, or of such contracts, agreements or instruments, provided that such amendments, supplements, restatements, or replacements to or of such contracts, agreements or instruments have been, if applicable, approved or consented to and otherwise made in accordance with the provisions of the Credit Agreement;
- (4) references to any legislation, statutory instrument or regulation or a section or other provision thereof, unless otherwise specified, is a reference to the legislation, statutory instrument, regulation or section or other provision as amended or re-enacted from time to time;
- (5) references to any thing includes the whole or any part of that thing and a reference to a group of things or Persons includes each thing or Person in that group;
- (6) references to a Person include that Person’s successors and permitted assigns;
- (7) words in the singular include the plural and vice-versa and words in one gender include all genders; and
- (8) any rights or benefits stated to accrue to the benefit of the Agent hereunder will accrue to the Agent for and on behalf of and for the benefit of itself and the other Secured Parties and any decision, determination or other action required or permitted to be made or taken by the Agent hereunder shall be interpreted to mean such decision, determination or other action made or taken in accordance with the provisions of the Credit Agreement.

3. Grant of Security

Subject to Section 6, each Grantor hereby grants, assigns, transfers (provided that the trade-marks, trade-mark registrations and pending trade-mark applications referenced below shall not be assigned or transferred, but shall be subject to the security interests granted herein), sets over, mortgages and charges to the Agent, for and on behalf of and for the benefit of itself and the other Secured Parties, as and by way of a specific mortgage and charge and grants to the Agent, for and on behalf of and for the benefit of itself and the other Secured Parties, a security interest in all of its right, title and interest in and to all of its property and undertaking now owned or hereafter

acquired, with the exception of Excluded Collateral, (collectively, the “**Collateral**”) including, any and all of its present and after acquired personal property and any and all of its:

- (a) inventory including goods held for sale, lease or resale, goods furnished or to be furnished to third parties under contracts of lease, consignment or service, goods which are raw materials or work in process, goods used in or procured for packing and materials used or consumed in its business;
- (b) equipment, machinery, furniture, plants, vehicles and other goods of every kind and description and all licences and other rights and all records, files, charts, plans, drawings, specifications, manuals and documents relating thereto;
- (c) accounts due or accruing due and all agreements, books, accounts, invoices, letters, documents and papers recording, evidencing or relating thereto;
- (d) money, documents of title, chattel paper, instruments, investment property (including stocks and other securities (whether evidenced by a security certificate or uncertificated securities), financial assets and security entitlements;
- (e) intangibles including all security interests, goodwill, choses in action and other contractual benefits and all trade-marks, trade-mark registrations and pending trade-mark applications, patents and pending patent applications and copyrights and other intellectual property (collectively, the “**Intellectual Property**”);
- (f) substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in Sections 3(a) - (e) inclusive; and
- (g) proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in Sections 3(a) - (f) inclusive or the proceeds of such proceeds.

In this Agreement, “Collateral” shall refer to “Collateral or any item or part thereof”.

4. Obligations Secured

- (a) The mortgages, charges and security interests granted hereby (collectively, the “**Security Interests**”) by each Grantor secure the payment and performance of its Secured Obligations.
- (b) All expenses, costs and charges incurred by or on behalf of the Agent or any of the other Secured Parties in connection with this Agreement, the Security Interests or the realization of the Collateral, including all reasonable legal fees, court costs, receiver’s or agent’s remuneration and other expenses of: or of taking or defending any action in connection with, taking possession of: repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment of the Collateral or other lawful exercises of the powers conferred by the Credit Agreement or any applicable Secured Agreement shall be added to and form a part of the Secured Obligations.

All such expenses and all amounts borrowed on the security of the Collateral under Section 12(e) shall bear interest at the rate of interest per annum equal to the highest rate of interest applicable to any other Secured Obligations denominated in the currency of the relevant expense and/or amount as at the date of such demand. If the proceeds from the disposition of the Collateral fails to satisfy the Secured Obligations secured by this Agreement and the expenses incurred by the Agent, any of the other Secured Parties or any other Person in relation to the enforcement hereof: the Grantors shall be liable to pay any deficiency to the Lender on demand.

5. Attachment

- (a) Each Grantor acknowledges that (i) value has been given, (ii) it has rights in the Collateral (other than after-acquired Collateral), (iii) it has not agreed to postpone the time of attachment of the Security Interests, (iv) Security Interests in Collateral in which it acquires an interest after the execution of this Agreement attach when it acquires such interest and (v) it has received a copy of this Agreement.
- (b) If any Grantor acquires Collateral consisting of investment property, the Grantor shall immediately notify the Agent and take such steps as the Agent requires to enable the Agent to obtain control of such Collateral, including arranging for any securities intermediary or futures intermediary to enter into an agreement satisfactory to the Agent to enable the Agent to obtain control.
- (c) Upon request by the Agent, each Grantor will execute and deliver, at its own expense, from time to time amendments to this Agreement and its schedules or additional security agreements or schedules as may be required by the Agent in order that the Security Interests shall attach to such property which is not adequately described in this Agreement.

6. Scope of Security Interests

- (a) To the extent that the creation of the Security Interests would constitute a breach or permit the acceleration of or termination of, any agreement, right, licence or permit (other than the whole of an account or chattel paper) of a Grantor (each, a “**Restricted Asset**”), the Security Interests shall not attach to the Restricted Asset but such Grantor shall hold its interest in the Restricted Asset in trust for the Agent and the other Secured Parties, and shall assign such Restricted Asset to the Agent or as it may direct immediately upon obtaining the consent of the other party.
- (b) Until the Security Interests shall have become enforceable, the grant of the Security Interests in the Intellectual Property shall not affect in any way a Grantor’s rights to commercially exploit the Intellectual Property, license it, defend it, enforce such Grantor’s rights in it or with respect to it against third parties in any court or claim and be entitled to receive any damages with respect to any infringement of it.
- (c) The Security Interests shall not extend to consumer goods.

7. Grant of Licence to Use Intellectual Property

For purposes of enabling the Agent to exercise its rights and remedies under this Agreement, at such time as the Agent or any of the other Secured Parties shall be lawfully entitled to exercise their rights and remedies, each Grantor grants to the Agent an irrevocable, nonexclusive licence (exercisable without payment of royalty or other compensation to any Grantor) to use, assign or sub license any of the Intellectual Property wherever the same may be located.

8. Negative Covenants

No Grantor shall:

- (a) create, incur or assume or suffer to exist or cause or permit any Encumbrance upon or in respect of any of its Property, except for Permitted Encumbrances.
- (b) sell, lease, assign, transfer or otherwise dispose of the whole or any part of the Collateral, or permit such disposition to occur, except as made in compliance with the Credit Agreement.

9. Care and Custody of Collateral

- (a) Subject to subsection (b) below, neither the Agent nor any of the other Secured Parties shall have an obligation to keep Collateral in their possession separate or identifiable.
- (b) Prior to the occurrence of an Event of Default which is continuing, the Agent shall be bound to exercise in the physical keeping of any Negotiable Collateral, only the same degree of care as it would exercise in respect of its own negotiable collateral kept at the same place.
- (c) The Agent may, after the Security Interests shall have become enforceable, (i) notify any Person obligated on an account or on chattel paper or any obligor on an instrument to make payments to the Agent whether or not any Grantor was previously making collections on such accounts, chattel paper or instruments, and (ii) assume control of any proceeds arising from the Collateral. Any payments or other proceeds of the Collateral received by any Grantor from account debtors or from any Persons liable to such Grantor under an instrument, after such notice is given by the Agent, shall be held by such Grantor in trust for the Agent and the other Secured Parties and paid over to the Agent upon request.

10. Enforcement

The Security Interests shall be and become enforceable against each Grantor upon the occurrence of an Event of Default which is continuing and which has not been waived by the Agent.

11. Remedies

Whenever the Security Interests have become enforceable, the Agent may realize upon the Collateral and enforce the rights of the Agent and the other Secured Parties by:

- (a) entry onto any premises where Collateral consisting of tangible property may be located;
- (b) entry into possession of the Collateral by any method permitted by Applicable Law;
- (c) sale or lease of all or any part of the Collateral;
- (d) collection of any proceeds arising in respect of the Collateral;
- (e) collection, realization or sale of, or other dealing with, the accounts;
- (f) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (g) proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral;
- (h) proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;
- (i) filing of proofs of claim and other documents to establish claims to the Collateral in any proceeding relating to any Grantor; and
- (j) any other remedy or proceeding authorized or permitted under the PPSA or otherwise by Applicable Law or equity.

Such remedies may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Agent or any of the other Secured Parties however created. Neither the Agent nor any of the Secured Parties shall be bound to exercise any right or remedy, and the exercise of rights and remedies shall be without prejudice to any other rights of the Agent or any of the other Secured Parties in respect of the Secured Obligations including the right to claim for any deficiency. The taking of any action or proceeding or refraining from doing so, or any other dealings with any other security for the Secured Obligations secured by this Agreement shall not release or affect the Security Interests or constitute a waiver thereof or prevent its exercise thereof. No waiver by the Agent or any of the other Secured Parties of any breach by any Grantor shall extend to or be taken in any manner whatsoever to affect any subsequent breach by any Grantor or the rights resulting therefrom.

12. Additional Rights

In addition to the remedies set forth in Section 11, the Agent may, whenever the Security Interests have become enforceable:

- (a) require any Grantor by notice in writing, at such Grantor's expense, to assemble the Collateral at a place or places designated by notice in writing and each Grantor agrees to so assemble the Collateral;
- (b) require any Grantor, by notice in writing, to disclose to the Agent the location or locations of the Collateral and each Grantor agrees to make such disclosure when so required;
- (c) repair, process, modify, complete or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of any Grantor or otherwise;
- (d) carry on all or any part of the business of any Grantor and, to the exclusion of all others including such Grantor, enter upon, occupy and use all or any of the premises, buildings, and other property of or used by such Grantor for such time as the Agent sees fit, free of charge, and neither the Agent nor any of the other Secured Parties shall be liable to any Grantor for any act, omission or negligence (except for its own gross negligence or wilful misconduct) in so doing or for any rent, charges, depreciation or damages incurred in connection with or resulting from such action;
- (e) borrow for the purpose of carrying on the business of any Grantor or for the maintenance, preservation or protection of the Collateral and mortgage, grant or charge a security interest in the Collateral, whether or not in priority to the Security Interests, to secure repayment; and
- (f) commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give good and valid receipts and discharges in respect of the Collateral and compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to any Grantor.

13. Concerning the Receiver

- (a) Any receiver appointed by the Agent shall be vested with the rights and remedies which could have been exercised by the Agent or any of the other Secured Parties in respect of any Grantor or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, its replacement and its remuneration shall be within the sole and unfettered discretion of the Agent.
- (b) Any receiver appointed by the Agent shall act as agent for the Agent and the other Secured Parties for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below), as agent for the Grantors. The receiver may sell, lease, or otherwise dispose of Collateral as agent for any Grantor or as agent for the Agent and the other Secured Parties as the Agent may determine in its discretion.

- (c) Neither the Agent, in appointing or refraining from appointing any receiver, nor any of the other Secured Parties shall incur liability to the receiver, any Grantor or otherwise and shall not be responsible for any misconduct or negligence of such receiver.

14. Appointment of Attorney

Each Grantor irrevocably appoints the Agent (and any of its officers) as its attorney (with full power of substitution) to do, make and execute, in its name and on its behalf, upon the occurrence and during the continuance of an Event of Default, all such further acts, documents, matters and things which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement including the execution, endorsement without recourse and delivery of documents and any notices, receipts, assignments or verifications of the accounts. All acts of the attorney are ratified and approved, and the attorney shall not be liable for any act, failure to act or any other matter or thing, except for its own gross negligence or wilful misconduct. Such appointment and power of attorney is hereby declared by each Grantor to be an irrevocable power of attorney coupled with an interest.

15. Dealing with the Collateral

- (a) Neither the Agent nor any of the other Secured Parties shall be obliged to exhaust their recourse against any Grantor or any other Person or against any other security they may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Agent may consider desirable.
- (b) The Agent and the other Secured Parties may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with any Grantor, debtors of any Grantor and with other Persons, sureties or securities as it may see fit without prejudice to the Secured Obligations, the liability of the Grantors or the rights of the Agent or any of the other Secured Parties in respect of the Collateral.
- (c) Neither the Agent nor any of the other Secured Parties shall be (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of any Persons in respect of the Collateral, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal with the Collateral, or (iv) bound to protect the Collateral from depreciating in value or becoming worthless or take any necessary or other steps to preserve rights against other Persons.

16. Standards of Sale

Without prejudice to the ability of the Agent to dispose of the Collateral in any manner which is commercially reasonable, each Grantor acknowledges that the following actions shall be deemed to be commercially reasonable:

- (a) Collateral may be disposed of in whole or in part;
- (b) Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;
- (c) any assignee of such Collateral may be a customer of the Agent or a Secured Party;
- (d) a disposition of Collateral may be on such terms and conditions as to credit or otherwise as the Agent or any of the other Secured Parties may deem advantageous; and
- (e) the Agent may establish an upset or reserve bid or price in respect of Collateral.

17. Application of Proceeds

Any and all moneys realized by the Agent, whether hereunder or otherwise shall be applied on account of the Secured Obligations or otherwise applied or dealt with by the Agent in accordance with the provisions of the Credit Agreement. The Agent shall at all times and from time to time have the right to change any application so made.

18. Dealings by Third Parties

No Person dealing with the Agent, any of the other Secured Parties or an agent or receiver shall be required to determine (i) whether the Security Interests have become enforceable, (ii) whether the powers which such Person is purporting to exercise have become exercisable, (iii) whether any money remains due to the Agent or any of the other Secured Parties by any Grantor, (iv) the necessity or expediency of the stipulations and conditions subject to which any sale or lease is made, (v) the propriety or regularity of any sale or other dealing by the Agent or any of the other Secured Parties with the Collateral, or (vi) how any money paid to the Agent or any of the other Secured Parties has been applied.

19. Notices, etc.

Any notice, direction, demand or other communication required or permitted to be given under this Agreement shall, except as otherwise permitted hereunder, be in writing and given in the same manner as provided in the Credit Agreement.

20. No Merger

This Agreement shall not operate by way of merger of any of the Secured Obligations and no judgment recovered by the Agent or any of the other Secured Parties shall operate by way of merger or (or in any way affect, the Security Interests, which is in addition to, and not in substitution for, any other security now or hereafter held by the Agent or any of the other Secured Parties in respect of the Secured Obligations.

21. Further Assurances

Each Grantor shall from time to time, whether before or after the Security Interests shall have become enforceable, do all acts and things and execute and deliver all transfers, assignments

and instruments as the Agent may reasonably require for (i) protecting the Collateral, (ii) perfecting the Security Interests, and (iii) exercising all powers, authorities and discretions conferred upon the Agent or any of the other Secured Parties. Each Grantor shall, from time to time after the Security Interests have become enforceable, do all acts and things and execute and deliver all transfers, assignments and instruments as the Agent may require for facilitating the sale or other disposition of the Collateral in connection with its realization.

22. Supplemental Security

This Agreement is in addition to and without prejudice to all other security now held or which may hereafter be held by the Agent or any of the other Secured Parties.

23. Successors and Assigns

This Agreement shall be binding upon each Grantor, its successors and assigns, and shall enure to the benefit of the Agent, the other Secured Parties and their respective successors and assigns. All rights of the Agent and the other Secured Parties shall be assignable in accordance with the provisions of the Credit Agreement and in any action brought by an assignee to enforce any such right, no Grantor shall assert against the assignee any claim or defence which any Grantor now has or hereafter may have against the Agent or any of the Secured Parties.

24. Severability

If any provision of this Agreement shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

25. Governing Law

- (a) This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- (b) Each Grantor hereby (i) irrevocably submits to the non-exclusive jurisdiction of any court in the Province of Ontario over any suit, action or proceeding arising out of or relating to this Agreement; (ii) irrevocably agrees that all claims in respect of any suit, action or proceeding may be heard and determined in such court; and (iii) irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may have or hereafter have to the laying of the venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. Each Grantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in any other manner provided by Applicable Law. Nothing in this Section shall affect the right of the Agent or any of the other Secured Parties to serve process in any manner permitted by Applicable Law or limit the rights of the Agent or any of the other Secured Parties to bring proceedings against any Grantor in the courts of any other jurisdiction.
- (c) Each Grantor hereby consents generally in respect of any legal action or proceedings arising out of or in connection with this Agreement to the giving of

any relief or the issue of any process in connection with such action or proceedings, including, the making, enforcement or execution against any Grantor of any order or judgment which may be made or given in such action or proceedings.

- (d) To the extent that any Grantor has or hereafter may acquire any immunity from the jurisdiction of any court or from any legal process (whether service of notice, attachment prior to judgment, attachment in the aid of execution, execution or otherwise) with respect to itself or its assets, each Grantor hereby irrevocably waives, to the fullest extent permitted by Applicable Law, such immunity in respect of its obligations under this Agreement.

26. Amalgamations and Mergers

If a Grantor amalgamates or merges with any other Person, its Secured Obligations shall include the Secured Obligations of the amalgamated or merged Person, and the Security Interests shall continue and shall attach to the present and future undertaking, property and assets of the amalgamated or merged Person, as if the amalgamated or merged Person had executed this Agreement as the Grantor.

27. Joint and Several Obligations

Each Grantor's obligations under this Agreement shall be joint and several. Notwithstanding any other provision hereunder, if a "secured creditor" (as that term is defined in the *Bankruptcy and Insolvency Act (Canada)*) is determined by a court of competent jurisdiction in Canada not to include a Person to whom obligations are owed on a joint or joint and several basis, then the obligations of each Grantor hereunder, to the extent that such obligations are secured, only shall be several obligations and not joint or joint and several.

28. Counterparts

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same Agreement. For the purposes of this Section, the delivery of a facsimile or other electronic copy of an executed copy of this Agreement (including PDF) shall be deemed to be valid execution and delivery of this Agreement.

29. Time of Essence

Time shall be of the essence of this Agreement.

30. Security Document

This Agreement constitutes a Loan Document subject to and for the purposes of the Credit Agreement.

31. Conflict

In the event of any conflict between the terms of the Credit Agreement and the terms of this Agreement, the provisions of the Credit Agreement shall govern to the extent necessary to remove the conflict.

32. Amendments

No amendment, supplement or waiver of any provision of this Agreement shall in any event be effective unless it is in writing and signed by the Agent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

33. Financing Statement

To the extent permitted by Applicable Law, each Grantor expressly waives the right to receive a copy of any financing statement or financing change statement which may be registered by the Agent in connection with this Agreement or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by Applicable Law.

34. Instrument of Adhesion

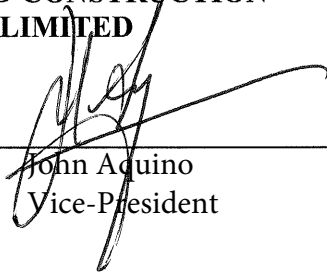
At any time after the date of this Agreement, one or more additional Persons (each, a “**New Grantor**”) may become party hereto by executing and delivering to the Agent an instrument of adhesion to omnibus general security agreement in substantially the form attached hereto as Exhibit A (the “**Instrument of Adhesion**”). Immediately upon execution and delivery of an Instrument of Adhesion by any New Grantor (and without any further action by any existing Grantor), each New Grantor will become a party to this Agreement as a “Grantor” and have all of the rights and obligations of a Grantor hereunder and this Agreement shall be deemed amended by such Instrument of Adhesion, and all obligations of the Grantors (including the New Grantors) hereunder shall be joint and several obligations of all Grantors (including the New Grantors). Each Grantor hereby agrees to, and acknowledges that its obligations under this Agreement shall not be discharged or otherwise affected by, any and all Instruments of Adhesion executed and delivered after the date hereof by each New Grantor.

[SIGNATURE PAGES FOLLOW]

- S1 -

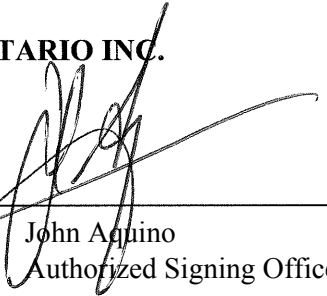
IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date first written above.

**BONDFIELD CONSTRUCTION
COMPANY LIMITED**

By: 
Name: John Aquino
Title: Vice-President

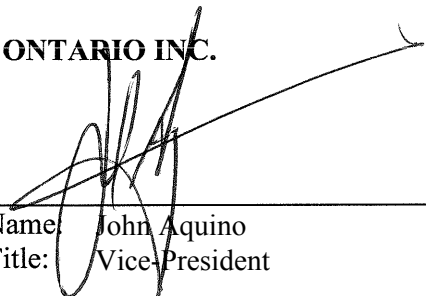
By: _____
Name:
Title:

1291547 ONTARIO INC.

By: 
Name: John Aquino
Title: Authorized Signing Officer

By: _____
Name:
Title:

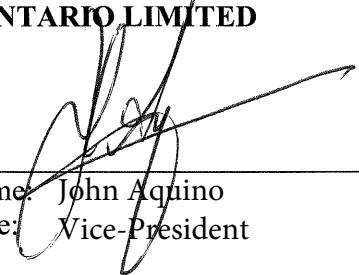
950504 ONTARIO INC.

By: 
Name: John Aquino
Title: Vice-President

By: _____
Name:
Title:

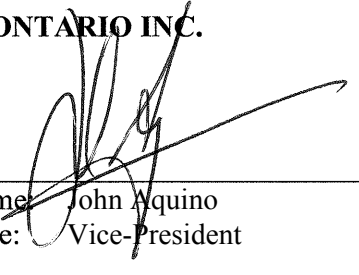
- S2 -

352021 ONTARIO LIMITED

By: 
Name: John Aquino
Title: Vice-President

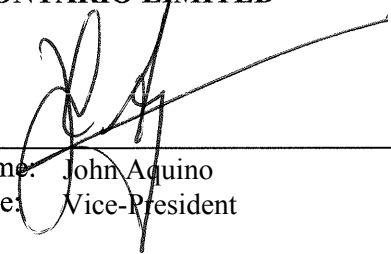
By: _____
Name:
Title:

1033803 ONTARIO INC.

By: 
Name: John Aquino
Title: Vice-President

By: _____
Name:
Title:

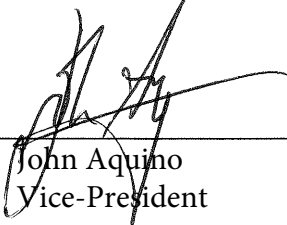
1087507 ONTARIO LIMITED

By: 
Name: John Aquino
Title: Vice-President

By: _____
Name:
Title:

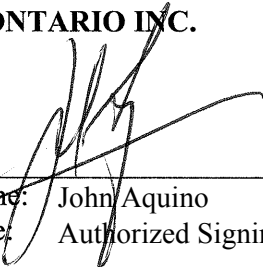
- S3 -

834076 ONTARIO INC.

By: 
Name: John Aquino
Title: Vice-President

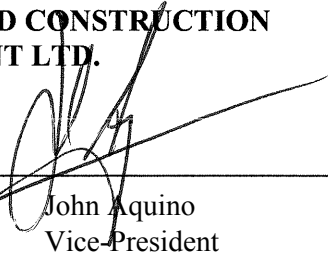
By: _____
Name:
Title:

1291546 ONTARIO INC.

By: 
Name: John Aquino
Title: Authorized Signing Officer

By: _____
Name:
Title:


**BONDFIELD CONSTRUCTION
EQUIPMENT LTD.**

By: 
Name: John Aquino
Title: Vice-President

By: _____
Name:
Title:

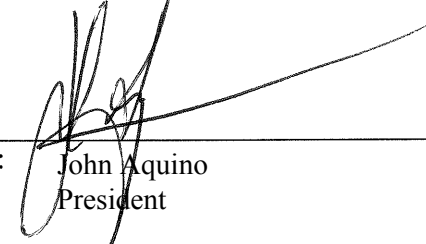
- S4 -

BONDFIELD MANAGEMENT INC.

By: 
 Name: Maria Bot
 Title: President

By: _____
 Name:
 Title:

2032686 ONTARIO LIMITED

By: 
 Name: John Aquino
 Title: President

By: _____
 Name:
 Title:

EXHIBIT A**FORM OF INSTRUMENT OF ADHESION
TO OMNIBUS GENERAL SECURITY AGREEMENT**

THIS INSTRUMENT OF ADHESION TO OMNIBUS GENERAL SECURITY AGREEMENT (this “**Instrument of Adhesion**”) is dated as of [●] between Bridging Finance Inc., in its capacity as administrative agent (together with its successors and assigns, the “**Agent**”) for and on behalf of and for the benefit of itself and the other Secured Parties (as defined in the Omnibus General Security Agreement referred to below) and [●] (the “**New Grantor**”).

RECITALS:

- A. Bondfield Construction Company Limited (the “**Borrower**”) and others are party to a credit agreement dated as of July 24, 2017 (as amended, modified, supplemented or restated from time to time, the “**Credit Agreement**”) between the Borrower, as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Persons who are, and from time to time become, parties thereto as lenders.
- B. The Obligors (collectively, the “**Grantors**” and each, a “**Grantor**”) are parties to an omnibus general security agreement dated as of July 24, 2017 (as amended to date, the “**Omnibus General Security Agreement**”) made in favour of the Agent.
- C. The New Grantor is executing this Instrument of Adhesion to become a Grantor under the Omnibus General Security Agreement.
- D. Capitalized terms used herein and not defined herein shall have the meanings defined in the Credit Agreement.

THEREFORE, for value received, and intending to be legally bound by this Instrument of Adhesion, the parties agree as follows:

- 1. The New Grantor hereby acknowledges and agrees to the terms of the Omnibus General Security Agreement, agrees to be bound by all obligations of a Grantor under the Omnibus General Security Agreement as if it had been an original signatory thereto and hereby grants a Security Interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the other Secured Parties, in the Collateral as security for its Secured Obligations (as each such term is defined in the Omnibus General Security Agreement).
- 2. The Agent, for and on behalf and for the benefit of itself and the other Secured Parties, acknowledges that the New Grantor shall be a Grantor as of the date of this Instrument of Adhesion.
- 3. Except as expressly supplemented hereby, the Omnibus General Security Agreement shall remain in full force and effect.
- 4. Any notice, direction, demand or other communication required or permitted to be given under the Omnibus General Security Agreement to or upon the New Grantor or the Agent shall be in writing and given in the same manner as provided in the Credit Agreement.

5. This Instrument of Adhesion shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
6. This Instrument of Adhesion may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same Instrument of Adhesion. For the purposes of this Section, the delivery of a facsimile or other electronic copy of an executed copy of this Instrument of Adhesion (including PDF) shall be deemed to be valid execution and delivery of this Instrument of Adhesion.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have duly executed this Instrument of Adhesion as of the date first written above.

BRIDGING FINANCE INC., as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

[• name of New Grantor]

By: _____
Name:
Title:

By: _____
Name:
Title:

TOR_LAW\ 9212125\3

F

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

yyyy mm dd Page 1 of 25

Properties

PIN 03276 - 0174 LT *Interest/Estate* Fee Simple
Description PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331 ; S/T LT579695 VAUGHAN
Address 131 SARAMIA CR
 VAUGHAN

Chargor(s)

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

Name AQUINO, RALPH
Address for Service c/o 407 Basaltic Road
 Concord, ON L4K 4W8
 Attention: Ralph Aquino

I am at least 18 years of age.

The property is not ordinarily occupied by me and my spouse, who is not separated from me, as our family residence.

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

Chargee(s)*Capacity**Share*

Name BRIDGING FINANCE INC.
Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, ON M5K 1K7

Statements

Schedule: See Schedules

Provisions

Principal \$90,000,000.00 *Currency* CDN
Calculation Period
Balance Due Date On Demand
Interest Rate See schedule attached
Payments
Interest Adjustment Date
Payment Date See schedule attached
First Payment Date
Last Payment Date
Standard Charge Terms N/A
Insurance Amount full insurable value
Guarantor

Additional Provisions

See debenture attached for additional charge provisions.

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Chargor(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP 1 First Canadian Place, 61st Floor, 2017 07 25
Box 50
Toronto
M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.35

Total Paid \$63.35

File Number

Chargor Client File Number : 1114463

DEMAND DEBENTURE

PRINCIPAL SUM: \$90,000,000

DATE: as of July 24, 2017

ARTICLE 1
PROMISE TO PAY

1.1 **Promise to Pay**: RALPH AQUINO (hereinafter referred to as the “**Chargor**”), for value received, hereby acknowledges itself indebted and covenants and promises: (i) to pay to or to the order of **BRIDGING FINANCE INC.**, in its capacity as agent for and on behalf of the Secured Parties (as defined below) (including its successors and assigns, the “**Agent**”), at the address set forth in Section 4.3 or at such other place as the Agent may designate by notice in writing to the Chargor, ON DEMAND, the aggregate principal amount of NINETY FIVE MILLION DOLLARS (\$90,000,000) or such lesser principal amount as is from time to time owing in respect of the Secured Obligations (as defined below), together with interest thereon, from and including the date hereof (or from and including the last interest payment date to which interest shall have been paid) to and including the date of payment, at a rate of twenty-five per cent (25%) per annum, calculated and compounded monthly on the first day of each month, as well after as before demand and as well after as before default or judgment with interest on overdue interest at the same rate; and (ii) to perform the Secured Obligations (as defined below).

This Debenture secures payment to the Secured Parties of all of the Secured Obligations.

To the extent that the Secured Obligations consist, in part, of revolving facilities which permit the Chargor to borrow certain principal amounts, repay all or a portion of such principal amounts, and re-borrow the amounts previously repaid, this Debenture secures all Secured Obligations that are advanced and re-advanced.

Notwithstanding any other provision of this Debenture, if the security constituted by this Debenture becomes enforceable, the Chargor will not be liable to pay under this Debenture any greater amount than the aggregate of the Secured Obligations.

1.2 **Interpretation**: In this Debenture, unless there is something in the subject matter or context that is inconsistent therewith, all capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement. In this Debenture words importing the singular number only include the plural and vice versa, words importing any gender include all genders. Unless otherwise specifically provided, reference in this Debenture to any contract, agreement or any other instrument shall be deemed to include references to the same as varied, amended, supplemented, restated or replaced from time to time, and reference in this Debenture to any enactment including any statute, law, by-law, regulation, ordinance or order, shall be deemed to include references to such enactment as re-enacted, amended, extended or replaced from time to time. The terms “including” and “includes” mean “including without limitation” and “includes without limitation”, respectively. In addition, the following terms shall have the following meanings:

“**Account**” has the meaning set out in Section 3.9 hereof.

“**Act**” has the meaning set out in Section 2.1 (b) hereof.

“**Contract**” has the meaning set out in Section 3.9 hereof.

“**Credit Agreement**” means the credit agreement made as of July 24, 2017 among Bondfield Construction Company Limited (the “**Borrower**”), as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Lenders.

“**Easements**” means all present and future easements, rights of way, licences and privileges appurtenant or appertaining to the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Event of Default**” means (i) an “Event of Default” as defined in the Credit Agreement, (ii) a “default” or “event of default” as defined in any other Secured Agreement, or (iii) any other event or circumstance which (x) entitles the Agent or the other Secured Parties to cause, or has the effect of causing, any obligations under any Secured Agreement to become due at or prior to any stated maturity or the termination of any Secured Agreement or, in the case of obligations payable on demand, which causes such obligations to become immediately due and payable, or (y) results in any Encumbrance contained in any security securing payment or performance of Secured Obligations becoming enforceable either with or without the giving of further notice.

“**Excluded Collateral**” has the meaning set out in Section 2.2 hereof.

“**Landlord Leases**” means all present and future leases, subleases, offers to lease or sublease, letter agreements, occupying or tenancy agreements, lease or sublease proposals and lease or sublease amending agreements relating to all or part of the Real Property made by the Chargor as landlord or lessor.

“**Leases**” means all present and future leases, subleases, licences and other occupancy or use agreements, affecting the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Lenders**” means BRIDGING FINANCE INC. and other lenders from time to time that are a party to the Credit Agreement and their respective successors and assigns.

“**Person**” or “**person**” means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual.

“**Real Property**” has the meaning set out in Section 2.1(a) hereof.

“**Revenues**” has the meaning set out in Section 2.1 (b)(vi) hereof.

“**Secured Agreements**” means the Credit Agreement, the other Loan Documents and all other instruments or agreements under which arise any Secured Obligations, and includes all amendments, supplements, restatements and replacements thereto and thereof from time to time. Any reference herein to the “Secured Agreements” means and includes any one or more of them.

“**Secured Obligations**” means all indebtedness, liabilities and obligations of the Chargor to the Secured Parties, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Chargor to the Secured Parties in any currency, and wherever incurred, and whether incurred by the Chargor alone or with another or others and whether as principal or surety, under or in connection with the Credit Agreement and the other Loan Documents (including any guarantees of the obligations of the Borrower) and all cash consolidation, cash management, foreign exchange, credit card, electronic funds management and other arrangements and facilities (including account consolidation, mirror netting services and other money management services agreements) established by the Secured Parties for the Chargor from time to time, and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Agreement. In this definition, “Secured Parties” shall be interpreted as “Secured Parties, or any of them”.

“**Secured Parties**” means all Persons from time to time defined as a “Lender”, “Agent”,

“**Administrative Agent**” or “Other Secured Party” in the Credit Agreement, in their various capacities as creditors under the Secured Agreements.

“**Secured Property**” means the lands and premises described in Schedule “B” attached hereto, together with all rights and privileges appertaining thereto and all buildings, improvements and structures now or hereafter constructed or placed therein, thereunder or thereon.

“**Security Interests**” has the meaning set out in Section 2.1 hereof.

ARTICLE 2 **SECURITY**

2.1 Security: As security for the due and timely payment and performance of all Secured Obligations the Chargor:

- (a) grants, mortgages and charges (and provided that where the interest of the Chargor in any Secured Property is by way of leasehold, such mortgage and charge is by way of sublease) as and by way of a first fixed specific mortgage and charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to: (i) the Secured Property; (ii) the Leases; (iii) the Easements; (iv) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed in, under or upon the Secured Property or the Easement lands; and (v) all interests in any of the foregoing and all benefits and rights to be derived by the Chargor in respect thereof (collectively, the “**Real Property**”);

(b) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, of all of its right, title, estate and interest, present and future, in and to any and all personal property in which a security interest can be taken, reserved, created or granted whether under the *Personal Property Security Act* (Ontario) (the “Act”), any similar personal property security legislation in any jurisdiction in which any of the charged premises is located or otherwise under any statute or law or in equity and which is now or at any time hereafter owned by the Chargor or in which the Chargor now has or at any time hereafter acquires any interest of any nature whatsoever, including, without in any way limiting the generality of the foregoing, the interest of the Chargor in:

- (i) all present and future rights, agreements, licenses, permits, consents, policies, approvals, development agreements, building contracts, performance bonds, purchase orders, plans, patents, trademarks, trade names, copyrights and other industrial and intellectual property, in connection with the Real Property;
- (ii) all present and future rents, revenues, income, insurance proceeds, expropriation proceeds, other proceeds and other monies to which the Chargor may from time to time be entitled from all sources which pertain to or are derived from the Real Property, or any part thereof including, all income and proceeds (whether in cash or on credit) received or receivable by or on behalf of the Chargor in respect of the use, occupancy or enjoyment of any such property or any part thereof or for the sale of goods or the provision of services on, at or from any such property or from judgments, settlements or other resolutions of disputes relating to the ownership, use, construction, development, operation, maintenance or management of any such property (collectively, “Revenues”); and
- (iii) the benefit of any guarantees, warranties or indemnities relating to all or part of the property referred to in paragraphs 2.1(b)(i) or (ii) inclusive;

and with respect to paragraphs 2.1(b)(i) to (iii) inclusive, in, to and under all amendments, extensions, renewals, replacements and substitutions of any of the foregoing, all increases, additions and accessions thereto and all rights, remedies, powers, easements, privileges and claims of the Chargor thereunder (whether arising pursuant thereto or available to the Chargor at law or in ‘equity) including, without limitation, the right of the Chargor to enforce the foregoing and ‘the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

(c) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a fixed and specific assignment, all of its right, title, estate and interest, present and future, in and to:

- (i) any agreements relating to the Real Property (including those relating to construction or development on, or operation of, the Real Property) or the business, undertaking and operations of the Chargor; and
 - (ii) all amendments, extensions, renewals, replacements and substitutions of any of the property referred to in paragraph 2.1(c)(i) and all benefits, rights, remedies, privileges, claims, powers and advantages of the Chargor to be derived therefrom or thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) and all covenants, obligations and agreements of the other parties thereto including the right of the Chargor to enforce any of the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;
- (d) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a general assignment, all of its right, title, estate and interest present and future, in and to:
- (i) the Landlord Leases and all benefits, powers and advantages of the Chargor to be derived therefrom and all covenants; obligations and agreements of the tenants thereunder or in any agreement collateral thereto including, without limitation, the benefit of any right, option or obligation of any tenant or other person to acquire any of the Real Property or an interest therein, to renew or extend the Landlord Leases or any one of them, to lease other space and any other collateral advantage or benefit to be derived from the Landlord Leases or any of them;
 - (ii) all rents and other moneys now due and payable or hereafter to become due and payable under the Landlord Leases and each guarantee of or indemnity in respect of the obligations of the tenants thereunder with full power to demand, sue for recovery, receive and give receipts for all such rents and other moneys and otherwise to enforce the rights of the Chargor thereto in the name of the Chargor;
 - (iii) all present and future intangibles arising from or out of the Real Property or any part or parts thereof and the property and assets referred to in subsections 2.1(b) and (c) above including, without limiting the generality of the foregoing, all of its rights, title and interest in all present and future book debts, accounts and other accounts receivable, contract rights and choses in action;
 - (iv) any and all existing or future agreements, contracts, licences, permits, plans and specifications, bonds, letters of credit, letters of guarantee or other documents or instruments relating to the Real Property or any part or parts thereof and all extensions, amendments, renewals or substitutions thereof or therefor which may hereafter be effected or entered into and all benefit, power and advantage of the Chargor to be derived therefrom;

- (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments relating to the Real Property or any part or parts thereof and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder and all benefit, power and advantage of the Chargor to be derived therefrom; and
- (vi) the proceeds of any and all existing or future insurance policies pertaining to the Real Property or the property and assets referred to in subsections 2.1(b) and (c) and paragraphs 2.1(d)(i) to (v) inclusive and all proceeds of expropriation or similar taking of the Real Property or any part or parts thereof and all benefit, power and advantage of the Chargor to be derived therefrom provided that all such proceeds shall be held and applied in accordance with the Credit Agreement;
- (e) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to all property in any form (including money) derived, directly or indirectly, from any dealing with the property referred to in subsections 2.1(a) to (d) inclusive, or proceeds therefrom or that indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed and damaged; and
- (f) grants, conveys, mortgages, charges, pledges and assigns as and by way of a floating charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of the undertaking, property, assets, rights, entitlements, benefits and privileges, both real and personal, moveable and immoveable, of every nature and kind, now or at any time and from time to time hereafter existing and owned by the Chargor (except such property and assets as are validly and effectively subject to any fixed and specific mortgage and charge or assignment, transfer or security interest created hereby);

provided that the said grants, conveyances, mortgages, charges, pledges, transfers, assignments and security interests created pursuant to this Section 2.1 (the “**Security Interests**”) shall not: (i) extend or apply to any personal property which is “consumer goods”, as such term is defined in the Act; or (ii) extend to the last day of the term of any lease or any agreement therefor now held or hereafter acquired by the Chargor, but should such Security Interests become enforceable the Chargor shall thereafter stand possessed of such last day and shall hold it in trust for the Agent for the purpose of this Debenture and assign and dispose thereof as the Agent shall, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Agent, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person or persons as new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Chargor and to vest the same accordingly in the new trustee or trustees so appointed free and discharged from any obligation respecting the same.

All the undertaking, property and assets mortgaged and charged pursuant to Subsection 2.1(a) and all of the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Subsections 2.1(b), (e) and (f) hereof being hereinafter collectively referred to as the “mortgaged property”; all the undertaking, property and assets assigned, transferred and set over pursuant to Subsections 2.1(c) and (d) being hereinafter collectively referred to as the “assigned property”; and the mortgaged property and assigned property being hereinafter collectively referred to as the “**Charged Premises**”. Wherever used herein in relation to the rights and remedies of the Agent the terms “Real Property”, “mortgaged property”, “assigned property” and “Charged Premises” shall, where the context permits, mean the whole or any part or parts thereof.

TO HAVE AND TO HOLD the Charged Premises and all rights hereby conferred unto the Agent, in its capacity as agent for and on behalf of the Secured Parties, and its successors and assigns, for the uses and purposes and with the powers and authorities and subject to the terms and conditions set forth herein and in the Credit Agreement.

2.2 Excluded Collateral: Notwithstanding anything contained in this Debenture, the Security Interests contained herein in respect of the Charged Premises, other than the Charged Premises referred to in Section 2.1(a), shall not extend or attach to the right, title, interest or benefit of the Chargor in any of the Charged Premises, other than an account or chattel paper, which by law cannot be assigned or charged or which requires the consent of any third party to such assignment or charge (if such consent has not been given) or which, if assigned or charged, would give rise to a default, penalty or right of termination, other than an account or chattel paper to the extent any term therein that prohibits or restricts the grant of the security interests therein is unenforceable against the Agent under applicable law (collectively the “**Excluded Collateral**”). The Chargor agrees that, at the request of the Agent from time to time, it will, to the extent required under any Loan Document other than this Debenture, obtain such consents in respect of the Excluded Collateral and to the transfer or assignment of the Excluded Collateral to any third party who may acquire an interest in the Charged Premises as a result of the exercise by the Agent of its remedies hereunder. Upon such consent being obtained, the Security Interests contained herein shall apply to such Excluded Collateral without regard to this Section 2.2 and without the necessity of any further assurance to effect the Security Interests contained herein in respect thereto. Until such consent is obtained, the Chargor shall, to the extent that it may do so by law or under the terms of the Excluded Collateral and without giving rise to any default, penalty or right of termination, hold all right, title, benefit and interest to be derived therefrom in trust for the Agent as additional security, as if the Security Interests contained herein applied, and shall deliver up such right, title, benefit and interest to the Agent forthwith upon the occurrence and during the continuance of an Event of Default.

2.3 Covenants of the Chargor: So long as any of the Secured Obligations shall remain unpaid and any Lender has obligations to provide credit facilities pursuant to any Loan Document, the Chargor covenants and agrees with the Agent as follows:

- (a) Restrictions on Mortgaging/Transferring: The Chargor shall not create, incur, cause or permit any mortgage, charge, pledge, assignment, transfer, conveyance or security interest in respect of any Charged Premises, except as permitted under the Credit Agreement (including Permitted Liens).

ARTICLE 3
RIGHTS AND REMEDIES

3.1 Remedies Upon Default: Upon and after the occurrence of an Event of Default that is continuing, the Agent may do any one or more of the following:

- (a) by written notice to the Chargor, declare the Secured Obligations to be immediately due and payable without the necessity of presentment for payment, or notice of non-payment and of protest (all of which are hereby expressly waived by the Chargor);
- (b) proceed to exercise any and all rights under this Debenture, the other Loan Documents and any other document or instrument executed pursuant to this Debenture or any other rights otherwise available to it whether under this Debenture, the other Loan Documents or otherwise, including enforcement of this Debenture;
- (c) take any action or proceeding authorized or permitted by this Debenture, the other Loan Documents or by law or equity, and file or cause to be filed on its behalf such proofs of claim and other documents as may be necessary or desirable to have its claims lodged in any bankruptcy, winding up or other judicial proceeding relative to the Chargor;
- (d) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
- (e) immediately enter upon and take possession of, disable or remove all of the Charged Premises or any part or parts thereof with power, among other things, to exclude the Chargor, to preserve and maintain the Charged Premises and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all reasonable expenses of maintaining, completing, repairing, preserving and protecting and operating the Charged Premises and all charges, payment of which may be necessary to preserve or protect the Charged Premises, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including power to advance its own moneys at the highest rate then borne by any of the Secured Obligations and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;
- (f) whether or not the Agent has taken possession of the Charged Premises or any of it, sell, lease or otherwise dispose thereof, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by law, either for cash or upon credit, at such time and upon such terms and conditions as the Agent may determine (including a term that a reasonable commission shall be payable to the Agent or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the Agent

may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same;

- (g) require the Chargor, at the Chargor's expense, to assemble the Charged Premises at a place or places designated by notice in writing given by the Agent to the Chargor, and the Chargor agrees to so assemble the Charged Premises;
- (h) require the Chargor, by notice in writing given by the Agent to the Chargor, to disclose to the Agent the location or locations of the Charged Premises and the Chargor agrees to make such disclosure when so required by the Agent;
- (i) without legal process, enter any premises where the Charged Premises may be situated and take possession of the Charged Premises by any method permitted by law;
- (j) carry on all or any part of the business or businesses of the Chargor and, to the exclusion of all others including the Chargor, enter upon, occupy and, subject to any requirements of law and subject to any leases or agreements then in place, use all or any of the Real Property, premises, buildings, plant, undertaking, assets and other property comprising the Charged Premises for such time and in such manner as the Agent sees fit, free of charge and, except to the extent required by law, the Agent shall not be liable to the Chargor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages or other amounts incurred in connection therewith or resulting therefrom;
- (k) borrow money for the purpose of carrying on the business of the Chargor relating exclusively to the Charged Premises or for the maintenance, preservation or protection of the Charged Premises and mortgage, charge, pledge or grant a security interest in the Charged Premises, whether or not in priority to the security interests created by this Debenture to secure repayment of any money so borrowed;
- (l) where the Agent has taken possession of the Charged Premises, retain the Charged Premises irrevocably, to the extent not prohibited by law, by giving notice thereof to the Chargor and to any other persons required by law in the manner provided by law;
- (m) send or employ inspectors or agents to inspect, audit and report upon the value, state and condition of the Charged Premises;
- (n) subject to Applicable Law, seize, collect, retain and administer the Charged Premises or any part or parts thereof in the Agent's discretion;
- (o) pay any encumbrance, lien, claim or charge that validly exists or has been threatened against any of the Charged Premises and any amounts determined to be validly existing shall, when so paid, together with any costs, charges and expenses incurred by the Agent (including legal fees and disbursements on a solicitor-client

basis), be added to the Secured Obligations hereby and shall bear interest at the rate provided for in the relevant Loan Document;

- (p) take proceedings in any court of competent jurisdiction to enforce payment by the Chargor of the Secured Obligations or any deficiency remaining upon application of proceeds of realization which are actually received by the Agent;
- (q) exercise or pursue any other remedy or proceeding authorized or permitted hereby or by the Act or any similar personal property security legislation or by any other legislation in any jurisdiction in which any of the Charged Premises is located or otherwise permitted by law or equity; and
- (r) with or without entry into possession of the Charged Premises, or any part thereof, appoint a receiver (which term shall include a receiver and manager) of the Charged Premises or any part thereof and of the rents and profits thereof pursuant to and in accordance with the provisions of the Loan Documents and this Debenture and with or without security for the performance of the receiver's obligations and from time to time remove any receiver and appoint another in its stead. Upon the appointment of any such receiver or receivers from time to time, subject to Applicable Law, the following provisions shall apply:
 - (i) every such receiver shall be the irrevocable agent of the Chargor for all purposes with respect to the Charged Premises including for the collection of all Revenues owing or earned in respect of the Real Property or any part thereof;
 - (ii) every such receiver may, in the discretion of the Agent, be vested with all or any of the powers and discretion of the Agent under this Debenture and the Loan Documents, including the power to carry on all or any part of the business of the Chargor relating exclusively to the Real Property and to sell, lease or otherwise dispose of the Charged Premises, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by Applicable Law, either for cash or on credit, at such time and upon such terms and conditions as the receiver may determine (including a term that a reasonable commission shall be payable to the receiver, or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the receiver may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same and such receiver shall also have the power to take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
 - (iii) the Agent may from time to time fix the remuneration of every such receiver and every such receiver shall be entitled to deduct the same out of

the income from the Charged Premises or the proceeds of disposition of the Charged Premises;

- (iv) the appointment of every such receiver by the Agent shall not, to the extent permitted by law, incur or create any liability on the part of the Agent to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Agent a mortgagee in possession in respect of the Real Property or any part thereof;
- (v) every such receiver shall, from time to time, have the power to lease or otherwise deal with any portion of the Real Property which may become vacant or available for lease on such terms and conditions as such receiver may deem advisable and shall have full power to complete any unfinished construction upon the Real Property (such power of the receiver to include the power to borrow funds in the name of and on the credit of the Chargor for such purposes, which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vi) every such receiver shall have full power to fully manage, develop, operate, lease, deal with agreements and Leases, construct, complete, repair, renovate or alter the Real Property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including entering into, amending and terminating such contracts and other agreements relating to the Charged Premises as are necessary or advisable, in the opinion of the receiver, and the entering into, renewal, amendment, supplement or termination of any agreements and Leases as the receiver may deem appropriate in its sole and absolute discretion; the aforementioned power shall include the power to borrow money in the name of and on the credit of the Chargor for all such purposes (which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vii) no such receiver shall be liable to the Chargor to account for monies other than monies actually received by or in respect of Charged Premises or any part thereof and out of such monies so received, every such receiver shall, subject to the further direction of the Agent, in the following order pay:
 - (A) his remuneration aforesaid;
 - (B) all payments made or incurred by him in connection with the management, operation, construction, completion, repair or alteration of the Charged Premises or any part thereof in accordance with the provisions thereof;

- (C) all payments of interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to this Debenture or the Loan Documents and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part thereof and in payment of all interest, fees and other similar amounts due or falling due hereunder and the balance to be applied upon the Secured Obligations in accordance with the terms of the Credit Agreement; and
- (D) at the discretion of the receiver, interest, principal and other monies which may from time to time constitute an encumbrance on the Charged Premises subsequent or subordinate to this Debenture or the Loan Documents;

and every receiver may in its discretion retain reasonable reserves to pay accruing amounts and anticipated payments in connection with any of the foregoing; and any surplus remaining in the hands of every such receiver after payments made as aforesaid shall be accountable to the Chargor and upon termination of the receivership such receiver shall pay such surplus to the Chargor or pay it into court, as the receiver may elect;

- (viii) the Agent may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver; and
- (ix) the receiver may carry out all actions and do all things that the Agent may do under this Debenture and the Loan Documents as if it were the Agent (it being agreed that such powers are not in any way limited by the foregoing provisions of this Subsection 3.1(r)).

3.2 Sale of Charged Premises: The Chargor agrees that any sale referred to in Section 3.1 may be either a sale of all or any portion of the Charged Premises and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which the Chargor waives to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Agent in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell. The Agent may sell the Charged Premises for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for the purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Chargor and all those claiming an interest in the Charged Premises by, from, through or under the Chargor.

3.3 References to the Agent Include Receiver: For the purposes of Sections 3.2, 3.4, 3.7, 3.8, 3.10, 3.11 and 3.14 a reference to the Agent shall, where the context permits, include any receiver or receiver and manager or other agent on behalf of the Agent.

3.4 Chargor's Rights: Subject to the terms of the Loan Documents, until the security hereby constituted shall become and remains enforceable, the Chargor shall be entitled to deal with the Charged Premises and enforce, use and enjoy all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon the security hereby constituted becoming and remaining enforceable, the Agent may, but shall not be obligated to, exercise all rights, powers, authority and discretions of the Chargor in respect of the Charged Premises in its place and stead.

3.5 Judgment: Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal hereby secured or interest thereon or other moneys owing hereunder nor shall such operate as a merger of any covenant or affect the right of the Agent to interest at the rate hereinbefore specified and any judgment shall bear interest at such rate.

3.6 Interest: If any amount payable to the Agent under this Debenture is not paid when due, the Chargor will pay to the Agent, immediately on demand, interest on such amount from the date due until paid, at an annual rate equal to the interest rate stipulated therefor in the relevant Loan Document. All amounts payable by the Chargor to the Agent under this Debenture, and all interest on all such amounts will form part of the Secured Obligations and will be secured by the security interests created by this Debenture.

3.7 Charge as Security:

- (a) It is expressly acknowledged and agreed that nothing herein contained shall obligate the Agent to assume or perform any obligation of the Chargor to any third party in respect of or arising out of any of the Charged Premises. The Agent may, however, at its option, assume or perform any such obligations as the Agent considers necessary or desirable to obtain the benefit of the Charged Premises free of any set-off, deduction or abatement and any money expended by the Agent in this regard shall form part of and shall be deemed to form part of the Secured Obligations and bear interest at the rate stipulated in Section 3.6.
- (b) The exercise by the Agent of its rights under this Debenture or the assumption of certain obligations of the Chargor as referred to in Subsection 3.7(1) above shall not constitute or have the effect of making the Agent a mortgagee in possession. Care, control and management of the Charged Premises shall remain and shall be deemed to be with the Chargor in the absence of clear and unequivocal action by the Agent depriving the Chargor of such care, control and management and the assumption thereof by the Agent.

3.8 Limitations on Agent's Liability: The Agent will not be liable to the Chargor or any other Person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver

or agent of the Agent is required to take, or will have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other Persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Chargor will bear the full risk of all, loss or damage to any and all of the Charged Premises (including any Charged Premises in the possession of the Agent or any receiver or agent) caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

3.9 Chargor Remains Liable under Accounts and Contracts: Notwithstanding any provision of this Debenture, the Chargor will remain liable under each of the agreements, contracts, Leases, material agreements, and other documents comprising the Charged Premises (each a “**Contract**”) to pay and satisfy all indebtedness, liabilities and other monetary obligations and to observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the Chargor thereunder, all in accordance with the terms of each such Contract. The Agent will have no obligation or liability under any account or monetary obligation (an “**Account**”) (or any Contract giving rise thereto) or Contract by reason of or arising out of this Debenture or the receipt by the Agent of any payment relating to such Account or Contract pursuant hereto, and in particular (but without limitation), the Agent will not be obligated in any manner to perform any of the obligations of the Chargor under or pursuant to any Account (or any Contract giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any Contract giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.10 Dealings by Agent: The Agent will not be obliged to exhaust its recourse against the Chargor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Charged Premises in such manner as the Agent may consider desirable. The Agent may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Chargor and any other Person, and with any or all of the Charged Premises, and with other security and sureties, as the Agent may see fit, all without prejudice to the Secured Obligations or to the rights and remedies of the Agent under this Debenture or the other Loan Documents. The powers conferred on the Agent under this Debenture are solely to protect the interests of the Agent in the Charged Premises and will not impose any duty upon the Agent to exercise any such powers.

3.11 Possession of Charged Premises: Where any Charged Premises is in the possession of the Agent or any receiver or agent:

- (a) the Agent shall only have the duty of care with respect to such Charged Premises as would a reasonable and prudent owner, including the duty to use reasonable care in the custody and preservation thereof, provided that the Agent need not take any steps of any nature to defend or preserve the rights of the Chargor therein against the claims or demands of others or to preserve rights therein against prior parties;

- (b) the Agent may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such Charged Premises upon any terms provided that such terms do not impair the Chargor's right to redeem such Charged Premises; and
- (c) the Agent may, at any time following the occurrence of an Event of Default which is continuing, use such Charged Premises in any manner and to such extent as it deems necessary or desirable.

3.12 After Acquired Property: The Chargor covenants and agrees that, if and to the extent that any of its respective rights, titles, estates and interests in any of the Charged Premises is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the Security Interests of the Agent hereby created shall attach to such Charged Premises at the same time as the Chargor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or assurance and thereafter such Charged Premises shall be subject to the Security Interests created hereby in accordance with the provisions of Section 2.1 hereof.

3.13 Attachment: The Chargor hereby acknowledges and agrees that value has been given for the granting of the Security Interests created hereby and that there is no agreement between the Chargor and the Agent, express or implied, to postpone the attachment of the Security Interests created hereby except in respect of after-acquired property forming part of the Charged Premises with respect to which the Security Interests created hereby shall attach at the same time as the Chargor acquires rights therein or thereto.

3.14 Indemnity: The Chargor agrees to indemnify the Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent and arising by reason of any action (including any action referred to in this Debenture) or inaction or omission to do any act legally required by the Chargor other than by reason of the gross negligence or wilful misconduct of the Agent. This indemnification will survive the satisfaction, release or extinguishment of the Secured Obligations and the security interests created by this Debenture.

3.15 General Assignment of Rents and Leases: As general and continuing security for payment and performance of the Secured Obligations, the Chargor hereby assigns, transfers, grants and sets over to the Agent, as and by way of a first fixed and specific assignment and security interest, (but subject to the limitations in Section 2.2) all legal and beneficial right, title and interest in and to (i) the rents and other monies now or hereafter due and payable in respect of the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for same in the name of the Chargor or the owner from time to time of the Real Property or in the name of the Agent, as the Agent may determine in its sole discretion, and (ii) the Leases with full benefit and advantage thereof including the benefit of all covenants and agreements contained in the Leases on the part of the tenants therein or any guarantor or indemnitor thereof to be observed, performed or kept, including all proceeds of or from any of the foregoing. This assignment and security interest is in addition to and not in substitution for any other general assignment of the rents and Leases and other security granted by the Chargor to the Agent to secure the Secured Obligations.

ARTICLE 4
GENERAL PROVISIONS

4.1 Remedies Cumulative and Waivers: For greater certainty, it is expressly understood and agreed that the rights and remedies of the Agent hereunder or under any other document or instrument executed pursuant to this Debenture are cumulative. and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Debenture or other document or instrument executed pursuant to this Debenture or the Loan Documents shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Agent may be lawfully entitled for such default or breach. Any waiver by the Agent of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained and any indulgence granted either expressly or by course of conduct by the Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Agent under this Debenture or other document or instrument executed pursuant to this Debenture as a result of any other default or breach hereunder or thereunder.

4.2 Termination: The Agent covenants and agrees with the Chargor that, if the Chargor pays, performs, satisfies and extinguishes all Secured Obligations and if no Secured Creditor has any further obligation to provide or continue to provide credit facilities to the Chargor pursuant to any Loan Document, this Debenture shall be and become fully ended and terminated and all right, title, interest and benefit of the Chargor in, to, under or in respect of the Charged Premises, assigned by it to, or held by it in trust for, the Agent hereunder shall automatically revert to the Chargor or its successors or assigns, and all covenants and agreements of the Chargor hereunder shall be at an end and the Agent, upon the request and at the expense of the Chargor, shall execute such instruments, discharges or re assignments and give such notification or assurances as the Chargor may properly require to fully release, discharge and cancel this Debenture in the circumstances.

4.3 Notice: Subject to the last sentence of this Section 4.3, any demand, notice, consent or other communication to be made or given hereunder shall be in writing and may be made or given by delivery or by transmittal by telecopy addressed to the respective parties as follows:

(a) to the Chargor, at:

c/o Bondfield Construction Company Limited
407 Basaltic Road
Concord, Ontario
L4K4W8

Attention: John Aquino
Facsimile No.: (416) 667-8462

to the Agent, at:

Bridging Finance Inc.
77 King Street West
Suite 2925, P.O. Box 322
Toronto, Ontario
M5K 1K7

Attention: Natasha Sharpe, Chief Investment Officer
Facsimile No: 1-888-920-9599
E-mail: nsharpe@bridgingfinance.ca

or to such other address or telecopy number as any party may from time to time notify to the other in accordance with this Section 4.3. Any demand, notice, consent or communication made or given by delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, or, if made or given by telecopy, on the first Business Day following the transmittal thereof.

4.4 Further Assurances: Each party shall, at its own expense, promptly execute and deliver to the other upon request all such other and further documents, agreements, opinions, certificates and other instruments in compliance with or accomplishment of their covenants and agreements hereunder or under any document to be delivered pursuant hereto or otherwise necessary to make any recording, file any notice or obtain any consent, all as may be reasonably necessary and appropriate in connection herewith.

4.5 Continuing Security: This Debenture and the rights and remedies it creates are a continuing agreement and security and shall bind the parties until discharge of this Debenture as provided in Section 4.2 hereof. No payment by the Chargor of the whole or any part of any Secured Obligations by this Debenture shall reduce the amount secured hereby unless specifically appropriated to and noted on this Debenture by the Agent.

4.6 No Marshalling: This Debenture shall be in addition to and not in substitution for any other security which the Agent may now or hereafter hold in respect of the Secured Obligations and the Agent shall be under no obligation to marshal in favour of the Chargor, any other Obligor or other lender or holder of security, any monies or other assets which the Agent may be entitled to receive or upon which the Agent may have a claim.

4.7 Agreement Paramount: This Debenture is issued subject to the terms of the Credit Agreement. In the event of any inconsistency or conflict between the terms of this Debenture and the Credit Agreement, the terms of the Credit Agreement shall govern. Notwithstanding the foregoing and for greater certainty, the remedies available to the Agent pursuant to this Debenture are in addition to and not in substitution for any remedies set out in the Credit Agreement or the Loan Documents.

4.8 Amendment of Agreement: No supplement, modification, amendment, waiver or termination of this Debenture shall be binding unless executed in writing by all parties hereto. No waiver of any provision of this Debenture shall be deemed or shall constitute a waiver of any

other provision of this Debenture (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise so expressed or provided.

4.9 Invalidity of Provisions: If any of the provisions in this Debenture should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

4.10 Time: Time shall be of the essence in this Debenture.

4.11 Successors and Assigns: This Debenture and all its provisions shall enure to the benefit of and shall be binding upon the Agent and the Chargor and their respective successors and permitted assigns.

4.12 Assignment by Agent: The rights of the Agent under this Debenture may be assigned by the Agent, in accordance with the terms of the Credit Agreement, without the prior consent of the Chargor. The Chargor may not assign its obligations under this Debenture.

4.13 Attorney: The Chargor hereby irrevocably nominates, constitutes and appoints the Agent and each of its officers holding office from time to time as the true and lawful attorney of the Chargor with full power of substitution in the name of the Chargor to do any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Agent reasonably considers necessary or desirable to carry out the provisions and purposes of this Debenture and to perform all acts of ownership in respect to the Charged Premises in accordance with this Debenture or to exercise any of its rights and remedies hereunder, such power being coupled with an interest, and the Chargor hereby ratifies and agrees to ratify all reasonable acts of any such attorney taken or done in accordance with this Section 4.13. Without in any way limiting the generality of the foregoing, the Agent shall have the right to execute for and in the name of the Chargor all financing statements, financing change statements, conveyances, transfers, assignments, consents and other instruments as may be required for such purposes. This power of attorney shall not be revoked or terminated by any act or thing other than the discharge of this Debenture in accordance with Section 4.2. The power of attorney granted in this section may only be exercised during the continuance of an Event of Default.

4.14 Acknowledgement by Chargor: The Chargor acknowledges receipt of a copy of this Debenture and hereby expressly waives the right to receive a copy of any financing statement or a copy of the statement confirming the registration of any financing statement that may be registered in connection with any security interest created under this Debenture.

4.15 Applicable Law: This Debenture shall be governed in all respects by the laws of the Province of Ontario and the laws of Canada applicable therein.

4.16 Attornment: The Chargor submits to the non-exclusive jurisdiction of any court in the Province of Ontario in any action or proceeding arising out of or relating to this Debenture, and the Chargor irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in any such court or in any other court of competent jurisdiction selected by the Agent.

4.17 Land Registration Reform Act: The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) are, to the extent inconsistent with the provisions hereof, hereby expressly excluded and replaced by the terms of this Debenture.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has executed this Debenture as of the date first written above.

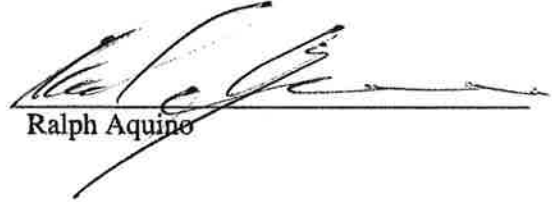
Witness:

Signed, Sealed and Delivered in the presence of:



Name: Danna Donald

Address: 32 Birchview Blvd.
Etobicoke, Ontario




Ralph Aquino

DEMAND DEBENTURE
RALPH AQUINO
(Bondfield Construction)

- S2 -

BRIDGING FINANCE INC.

Per: 
Name: *NATASHA SHARPE*
Title: *CIO*

Per: _____
Name:
Title:

DEMAND DEBENTURE
RALPH AQUINIO
(Bondfield Construction)

Schedule "A"

None.

Schedule "B"

PIN 03276-0174 (LT)

Parcel 11-1, Section 65M2724; Block 11, Plan 65M2724; s/t LT590331; s/t LT579695; City of Vaughan, Regional Municipality of York

Municipally known as 131 Saramia Cr, Vaughan, Ontario

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

yyyy mm dd Page 1 of 9

Properties

PIN 03276 - 0174 LT
 Description PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331 ; S/T LT579695 VAUGHAN
 Address 131 SARAMIA CR
 VAUGHAN

Applicant(s)

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

Name AQUINO, RALPH
 Address for Service c/o 407 Basaltic Road
 Concord, ON L4K 4W8
 Attention: Ralph Aquino

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

Party To(s)

Capacity

Share

Name BRIDGING FINANCE INC.
 Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, ON M5K 1K7

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, YR2706715 registered on 2017/07/25 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Applicant(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Party To(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP 1 First Canadian Place, 61st Floor, 2017 07 25
 Box 50
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.35
 Total Paid \$63.35

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

File Number

Applicant Client File Number : 1114463

THIS AGREEMENT made as of this 24th day of April, 2017.

B E T W E E N:

RALPH AQUINO

(hereinafter referred to as "AQUINO")

-and-

BRIDGING FINANCE INC.

(hereinafter referred to as the "LENDER")

WHEREAS:

- A. Aquino is the registered owner of the lands and premises which are more particularly described in the attached Schedule "A" (the "**Premises**") and which are subject inter alia, to a debenture or mortgage in favour of the Lender securing a principal amount of \$90,000,000.00, registered on the same date as this Assignment in the applicable Land Registry Office for the Premises (as amended from time to time herein called the "**Mortgage**").
- B. Aquino agreed to assign the rents reserved and payable under any current leases for which notice has been registered in the land titles office with respect to the premises located in the buildings now or hereafter situated on the Premises (herein called the "**Current Lease**"), together with all leases with respect to the premises located in the buildings now or hereafter situated on the Premises in effect from time to time (the "**General Leases**") and together with all future leases (herein called the "**Future Leases**") with respect to the premises located in the buildings now or hereafter situated on the Premises to the Lender as collateral security for the payment of the obligations secured by the Mortgage (the Current Lease, General Leases, and Future Leases herein collectively called the "**Leases**").

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the Lender to Aquino, (the receipt and sufficiency whereof is hereby acknowledged by Aquino) Aquino and Lender hereby agree as follows:

1. **ASSIGNMENT**

Subject to any prior assignments, Aquino hereby transfers, assigns and sets over unto the Lender all of its respective right, title and interest in the following (herein called the “Assignment”):

(a) the Leases;

(b) all rents and monies payable under the Leases or any extensions or renewals thereof and all monies payable pursuant to any repudiation, disclaimer, termination or surrender thereof, whether by mutual agreement or as permitted by a Court of competent jurisdiction pursuant to any applicable legislation (the “Rents”); and

(c) the benefit of all covenants, stipulations and provisions contained in the Leases;

to hold and receive the same unto the Lender as continuing collateral security for the obligations secured by the Mortgage.

2. **COLLECTION**

Nothing herein contained shall be deemed to have the effect of making the Lender responsible for the collection of the Rents or any part thereof or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained in the Leases and the Lender shall not by virtue of these presents be deemed a mortgagee in possession of the Premises or any of them and this Assignment shall not of itself create the relationship of landlord and tenant between the Lender and any lessee.

3. **ACCOUNTING**

The Lender shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents and such monies when received by the Lender shall be applied on account of the monies from time to time secured by the Mortgage and any renewal thereof or amendment thereto or under any agreement collateral thereto.

4. **NON-WAIVER**

(a) The parties agree that none of the rights or remedies of the Lender as mortgagee under the Mortgage shall be delayed or in any way prejudiced by this Assignment or by any act of the Lender pursuant to this Assignment.

(b) The parties agree that notwithstanding any variation of the terms of this Assignment, the Mortgage or any agreement or arrangement with Aquino or any extension of time for payment or any release of part or parts of the Premises, or of any collateral or additional security which may be given to the Lender, the Leases, Rents and other benefits hereby assigned shall

GENERAL ASSIGNMENT OF RENTS
RALPH AQUINO
(Bondfield Construction)

continue as security until the whole of the monies payable pursuant to the Mortgage shall be fully paid and satisfied.

(c) The Lender may waive any default or breach of covenant herein and shall not be bound to serve any notice upon the lessees upon the happening of any default or breach of covenant but any such waiver shall not extend to any subsequent default or breach of covenant.

5. **FURTHER ASSURANCES**

Aquino and Lender covenant and agree each with the other from time to time and at all times hereafter at the request of the other to execute and deliver without expense any documentation required to give full and further effect to this Assignment, and to provide any other parties thereto a notice of the Assignment and to use reasonable efforts to obtain from them acknowledgements of such notice, both in form and content acceptable to the Lender, acting reasonably.

6. **NOTICE**

Until demand under the Mortgage, and until the Lender serves notice thereof to Aquino (the “**Notice**”), Aquino shall be entitled to receive the Rents and shall not be liable to account therefor to the Lender; provided, however, after such Notice the Lender shall be entitled to collect all Rents falling due subsequent to the date of service of the Notice, and to enforce all remedies of the lessor by virtue this Assignment.

7. **PERFORMANCE BY AOUINO AS LESSOR**

Aquino hereby covenants with the Lender that notwithstanding any act of Aquino the Leases, if any, are, in all material respects, good, valid and subsisting and that the covenants and obligations therein have been duly observed and performed by Aquino up to the date hereof in all material respects and, Aquino now has good right, full power and absolute authority to make this Assignment.

8. **REPRESENTATIONS BY AOUINO WITH RESPECT TO EXISTING LEASES**

Aquino hereby represents and warrants that none of the lessees are in default under any of the terms, covenants or conditions of the Leases, and that as of the date hereof none of the lessees has any defence, set-off or counterclaim of a material nature respecting the relevant Leases against Aquino, and that no Rents have been prepaid more than 2 months in advance of the accrual thereof.

9. **MANAGEMENT OF LEASES PRIOR TO NOTICE**

Aquino covenants to observe and perform all of the lessor’s covenants and obligations contained in the Leases, and to maintain, manage and lease the Premises in accordance with sound business practices.

GENERAL ASSIGNMENT OF RENTS
RALPH AQUINO
(Bondfield Construction)

10. **DEALINGS WITH LEASES**

(a) Except in accordance with prudent business practice, Aquino shall not without the prior written consent of the Lender accept prepayments, surrender, or terminate or materially amend any of the Leases, or give any consent, concession or waiver or exercise any option of Aquino permitted by such terms, or effect a merger, elimination or material diminution of the obligations of the lessees thereunder. Aquino upon request of the Lender shall execute and deliver all such further assurances and provide copies and/or details as the Lender from time to time shall reasonably require in order to cause prompt action, including legal proceedings for enforcement of this Assignment and all other remedies available to the Lender hereunder to be commenced against any delinquent party as soon as reasonably necessary to protect the interest of the lessor.

(b) Notwithstanding anything else herein contained, in the event that any tenant is permitted by a court of competent jurisdiction to repudiate, disclaim, terminate, surrender or otherwise materially amend any lease pursuant to the Bankruptcy and Insolvency Act, as amended from time to time, or any similar legislation, then any payment to Aquino as landlord shall be received by Aquino in trust for the Lender, and Aquino shall forthwith remit such payment to the Lender to be held by the Lender as cash collateral security or to be applied against the indebtedness of Aquino to the Lender, or any part of such indebtedness, all as the Lender shall see fit.

11. **ENFORCEMENT OF LENDER REMEDIES**

(a) Upon delivery of the Notice the Lender shall be entitled to exercise from time to time, all of its rights and remedies in law or in equity, in addition to any remedies set out herein, including without limitation, foreclosure, power of sale, appointment of a receiver, distress, attornment of rents, taking possession of the Premises, and suit upon the covenant. In the event the Lender does not invoke any specific remedy at any specific time, the Lender shall not be deemed to have waived such remedy.

(b) All remedies shall be cumulative and concurrent and not alternative and may be pursued separately, successively or concurrently against Aquino, against the Premises, or any or all of them as often as occasion therefor shall arise.

(c) The Lender shall have the power to apply all monies received pursuant to this Assignment in such order as the Lender may reasonably determine, towards payment of the obligations secured by the Mortgage and payment of any and all sums, monies, costs, charges and expenses incurred by the Lender in exercise of any of its rights and remedies herein including taxes, insurance, usual and customary commissions to a real estate broker for leasing real estate and collecting rents, if any, and the reasonable expenses and fees of all solicitors (on a solicitor and client basis), agents and servants which expenses may be reasonably necessary to exercise the powers granted to the Lender hereunder.

(d) The exercise of any remedies herein by the Lender shall not render the Lender liable to any lessee for the return of any security deposit, or for any act or breach committed by Aquino.

GENERAL ASSIGNMENT OF RENTS
RALPH AQUINO
(Bondfield Construction)

(e) The Lender shall be entitled to give notice to the lessee from time to time of this Assignment, and the effecting of such remedies as the Lender determines from time to time, provided however, any notice delivered prior to the Notice shall merely indicate existence of the Assignment, and shall direct and permit the recipient of such Notice to continue to pay Rents and other amounts payable under the relevant lease to Aquino, subject to such limitations with respect to prepaid amounts as are contained herein.

(f) Aquino hereby appoints the Lender to be the true and lawful attorney of Aquino after receipt of the Notice for and in the name of Aquino to demand, recover and enforce payment of Rents and to enforce observance of covenants by lessees pursuant to the Leases, and to institute such actions at law or in equity, or take such proceedings by distress or otherwise as the Lender shall from time to time determine. This power of attorney shall be a power coupled with an interest and shall be irrevocable by Aquino.

12. **RE-ASSIGNMENT**

(a) Upon repayment of the Mortgage, Aquino shall be entitled at Aquino's expense to a release and/or re-assignment of the Assignment in registerable form, and discharge of any financing statements relating thereto.

(b) The Lender shall be entitled to deliver a re-assignment of this Assignment to Aquino from time to time in its sole discretion.

13. **SUCCESSORS AND ASSIGNS**

This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

14. **AFTER ACQUIRED PROPERTY**

This Assignment shall apply and the security interest hereby created shall attach to any Future Leases entered into by Aquino respecting the Premises without the necessity of any further assignment or other assurances.

15. **SEVERABILITY**

In case any of the provisions of this Assignment shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Assignment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

16. **GOVERNING LAW**

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

GENERAL ASSIGNMENT OF RENTS
RALPH AQUINO
(Bondfield Construction)

IN WITNESS WHEREOF, the undersigned has executed this Debenture as of the date first written above.

Witness:

Signed, Sealed and Delivered in the presence of:



Name: Danna Dohald
Address: 32 Birchview Blvd.
Etobicoke, Ontario



Ralph Aquino

DEMAND DEBENTURE
RALPH AQUINO
(Bondfield Construction)

SCHEDULE "A"**Legal Description**

PIN 03276-0174 (LT)

Parcel 11-1, Section 65M2724; Block 11, Plan 65M2724; s/t LT590331; s/t LT579695; City of Vaughan, Regional Municipality of York

Municipally known as 131 Saramia Cr, Vaughan, Ontario

GENERAL ASSIGNMENT OF RENTS
RALPH AQUINO
(Bondfield Construction)

G

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

yyyy mm dd Page 1 of 26

Properties

PIN 03725 - 0367 LT *Interest/Estate* Fee Simple
Description PT LOT 35 CON 6 MARKHAM AS IN R643215 EXCEPT PT 1, EXPROP PL YR1315253.
 S/T MA23836 IF ANY ; WHITCHURCH-STOUFFVILLE.
Address 4431 STOUFFVILLE ROAD
 STOUFFVILLE

Chargor(s)

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

Name 1087507 ONTARIO LIMITED
Address for Service c/o 407 Basaltic Road
 Concord, Ontario
 L4K 4W8
 Attention: Ralph Aquino

I, John Aquino, Vice President, have the authority to bind the corporation.

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

Chargee(s)*Capacity**Share*

Name BRIDGING FINANCE INC.
Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, Ontario
 M5K 1K7

Statements

Schedule: See Schedules

Provisions

Principal \$90,000,000.00 *Currency* CDN
Calculation Period
Balance Due Date On Demand
Interest Rate See schedule attached
Payments
Interest Adjustment Date
Payment Date See schedule attached
First Payment Date
Last Payment Date
Standard Charge Terms N/A
Insurance Amount full insurable value
Guarantor

Additional Provisions

See debenture attached for additional charge provisions.

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Chargor(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

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

Submitted By

OSLER HOSKIN & HARCOURT LLP

1 First Canadian Place, 61st Floor,
Box 50
Toronto
M5X 1B8

2017 07 25

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.35

Total Paid \$63.35

File Number

Chargor Client File Number : 1114463

DEMAND DEBENTURE

PRINCIPAL SUM: \$90,000,000

DATE: as of July 24, 2017

ARTICLE 1
PROMISE TO PAY

1.1 Promise to Pay: 1087507 ONTARIO LIMITED (hereinafter referred to as the “Chargor”), for value received, hereby acknowledges itself indebted and covenants and promises: (i) to pay to or to the order of **BRIDGING FINANCE INC.**, in its capacity as agent for and on behalf of the Secured Parties (as defined below) (including its successors and assigns, the “Agent”), at the address set forth in Section 4.3 or at such other place as the Agent may designate by notice in writing to the Chargor, ON DEMAND, the aggregate principal amount of NINETY MILLION DOLLARS (\$90,000,000) or such lesser principal amount as is from time to time owing in respect of the Secured Obligations (as defined below), together with interest thereon, from and including the date hereof (or from and including the last interest payment date to which interest shall have been paid) to and including the date of payment, at a rate of twenty-five per cent (25%) per annum, calculated and compounded monthly on the first day of each month, as well after as before demand and as well after as before default or judgment with interest on overdue interest at the same rate; and (ii) to perform the Secured Obligations (as defined below).

This Debenture secures payment to the Secured Parties of all of the Secured Obligations.

To the extent that the Secured Obligations consist, in part, of revolving facilities which permit the Chargor to borrow certain principal amounts, repay all or a portion of such principal amounts, and re-borrow the amounts previously repaid, this Debenture secures all Secured Obligations that are advanced and re-advanced.

Notwithstanding any other provision of this Debenture, if the security constituted by this Debenture becomes enforceable, the Chargor will not be liable to pay under this Debenture any greater amount than the aggregate of the Secured Obligations.

1.2 Interpretation: In this Debenture, unless there is something in the subject matter or context that is inconsistent therewith, all capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement. In this Debenture words importing the singular number only include the plural and vice versa, words importing any gender include all genders. Unless otherwise specifically provided, reference in this Debenture to any contract, agreement or any other instrument shall be deemed to include references to the same as varied, amended, supplemented, restated or replaced from time to time, and reference in this Debenture to any enactment including any statute, law, by-law, regulation, ordinance or order, shall be deemed to include references to such enactment as re-enacted, amended, extended or replaced from time to time. The terms “including” and “includes” mean “including without limitation” and “includes without limitation”, respectively. In addition, the following terms shall have the following meanings:

“**Account**” has the meaning set out in Section 3.9 hereof.

“**Act**” has the meaning set out in Section 2.1 (b) hereof.

“**Contract**” has the meaning set out in Section 3.9 hereof.

“**Credit Agreement**” means the credit agreement made as of July 24, 2017 among Bondfield Construction Company Limited (the “Borrower”), as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Lenders.

“**Easements**” means all present and future easements, rights of way, licences and privileges appurtenant or appertaining to the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Event of Default**” means (i) an “Event of Default” as defined in the Credit Agreement, (ii) a “default” or “event of default” as defined in any other Secured Agreement, or (iii) any other event or circumstance which (x) entitles the Agent or the other Secured Parties to cause, or has the effect of causing, any obligations under any Secured Agreement to become due at or prior to any stated maturity or the termination of any Secured Agreement or, in the case of obligations payable on demand, which causes such obligations to become immediately due and payable, or (y) results in any Encumbrance contained in any security securing payment or performance of Secured Obligations becoming enforceable either with or without the giving of further notice.

“**Excluded Collateral**” has the meaning set out in Section 2.2 hereof.

“**Landlord Leases**” means all present and future leases, subleases, offers to lease or sublease, letter agreements, occupying or tenancy agreements, lease or sublease proposals and lease or sublease amending agreements relating to all or part of the Real Property made by the Chargor as landlord or lessor.

“**Leases**” means all present and future leases, subleases, licences and other occupancy or use agreements, affecting the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Lenders**” means Bridging Finance Inc. and other lenders from time to time that are a party to the Credit Agreement and their respective successors and assigns.

“**Person**” or “person” means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual.

“**Real Property**” has the meaning set out in Section 2.1(a) hereof.

“**Revenues**” has the meaning set out in Section 2.1(b)(vi) hereof.

“**Secured Agreements**” means the Credit Agreement, the other Loan Documents and all other instruments or agreements under which arise any Secured Obligations, and includes all amendments, supplements, restatements and replacements thereto and thereof from time to time. Any reference herein to the “Secured Agreements” means and includes any one or more of them.

“**Secured Obligations**” means all indebtedness, liabilities and obligations of the Chargor to the Secured Parties, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Chargor to the Secured Parties in any currency, and wherever incurred, and whether incurred by the Chargor alone or with another or others and whether as principal or surety, under or in connection with the Credit Agreement and the other Loan Documents (including any guarantees of the obligations of the Borrower) and all cash consolidation, cash management, foreign exchange, credit card, electronic funds management and other arrangements and facilities (including account consolidation, mirror netting services and other money management services agreements) established by the Secured Parties for the Chargor from time to time, and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Agreement. In this definition, “Secured Parties” shall be interpreted as “Secured Parties, or any of them”.

“**Secured Parties**” means all Persons from time to time defined as a “Lender”, “Agent”, “Administrative Agent” or “Other Secured Party” in the Credit Agreement, in their various capacities as creditors under the Secured Agreements.

“**Secured Property**” means the lands and premises described in Schedule “B” attached hereto, together with all rights and privileges appertaining thereto and all buildings, improvements and structures now or hereafter constructed or placed therein, thereunder or thereon.

“**Security Interests**” has the meaning set out in Section 2.1 hereof.

ARTICLE 2 **SECURITY**

2.1 Security: As security for the due and timely payment and performance of all Secured Obligations the Chargor:

- (a) grants, mortgages and charges (and provided that where the interest of the Chargor in any Secured Property is by way of leasehold, such mortgage and charge is by way of sublease) as and by way of a first fixed specific mortgage and charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to: (i) the Secured Property; (ii) the Leases; (iii) the Easements; (iv) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed in, under or upon the Secured Property or the Easement

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

lands; and (v) all interests in any of the foregoing and all benefits and rights to be derived by the Chargor in respect thereof (collectively, the “**Real Property**”);

- (b) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, of all of its right, title, estate and interest, present and future, in and to any and all personal property in which a security interest can be taken, reserved, created or granted whether under the *Personal Property Security Act* (Ontario) (the “**Act**”), any similar personal property security legislation in any jurisdiction in which any of the charged premises is located or otherwise under any statute or law or in equity and which is now or at any time hereafter owned by the Chargor or in which the Chargor now has or at any time hereafter acquires any interest of any nature whatsoever, including, without in any way limiting the generality of the foregoing, the interest of the Chargor in:
- (i) all present and future rights, agreements, licenses, permits, consents, policies, approvals, development agreements, building contracts, performance bonds, purchase orders, plans, patents, trademarks, trade names, copyrights and other industrial and intellectual property, in connection with the Real Property;
 - (ii) all present and future rents, revenues, income, insurance proceeds, expropriation proceeds, other proceeds and other monies to which the Chargor may from time to time be entitled from all sources which pertain to or are derived from the Real Property, or any part thereof including, all income and proceeds (whether in cash or on credit) received or receivable by or on behalf of the Chargor in respect of the use, occupancy or enjoyment of any such property or any part thereof or for the sale of goods or the provision of services on, at or from any such property or from judgments, settlements or other resolutions of disputes relating to the ownership, use, construction, development, operation, maintenance or management of any such property (collectively, “**Revenues**”); and
 - (iii) the benefit of any guarantees, warranties or indemnities relating to all or part of the property referred to in paragraphs 2.1 (b)(i) or (ii) inclusive;

and with respect to paragraphs 2.1(b)(i) to (iii) inclusive, in, to and under all amendments, extensions, renewals, replacements and substitutions of any of the foregoing, all increases, additions and accessions thereto and all rights, remedies, powers, easements, privileges and claims of the Chargor thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) including, without limitation, the right of the Chargor to enforce the foregoing and the

obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

- (c) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a fixed and specific assignment, all of its right, title, estate and interest, present and future, in and to:
 - (i) any agreements relating to the Real Property (including those relating to construction or development on, or operation of, the Real Property) or the business, undertaking and operations of the Chargor; and
 - (ii) all amendments, extensions, renewals, replacements and substitutions of any of the property referred to in paragraph 2.1(c)(i) and all benefits, rights, remedies, privileges, claims, powers and advantages of the Chargor to be derived therefrom or thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) and all covenants, obligations and agreements of the other parties thereto including the right of the Chargor to enforce any of the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;
- (d) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a general assignment, all of its right, title, estate and interest present and future, in and to:
 - (i) the Landlord Leases and all benefits, powers and advantages of the Chargor to be derived therefrom and all covenants, obligations and agreements of the tenants thereunder or in any agreement collateral thereto including, without limitation, the benefit of any right, option or obligation of any tenant or other person to acquire any of the Real Property or an interest therein, to renew or extend the Landlord Leases or any one of them, to lease other space and any other collateral advantage or benefit to be derived from the Landlord Leases or any of them;
 - (ii) all rents and other moneys now due and payable or hereafter to become due and payable under the Landlord Leases and each guarantee of or indemnity in respect of the obligations of the tenants thereunder with full power to demand, sue for recovery, receive and give receipts for all such rents and other moneys and otherwise to enforce the rights of the Chargor thereto in the name of the Chargor;
 - (iii) all present and future intangibles arising from or out of the Real Property or any part or parts thereof and the property and assets referred to in subsections 2.1 (b) and (c) above including, without limiting the generality

of the foregoing, all of its rights, title and interest in all present and future book debts, accounts and other accounts receivable, contract rights and choses in action;

- (iv) any and all existing or future agreements, contracts, licences, permits, plans and specifications, bonds, letters of credit, letters of guarantee or other documents or instruments relating to the Real Property or any part or parts thereof and all extensions, amendments, renewals or substitutions thereof or therefor which may hereafter be effected or entered into and all benefit, power and advantage of the Chargor to be derived therefrom;
 - (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments relating to the Real Property or any part or parts thereof, and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder and all benefit, power and advantage of the Chargor to be derived therefrom; and
 - (vi) the proceeds of any and all existing or future insurance policies pertaining to the Real Property or the property and assets referred to in subsections 2.1(b) and (c) and paragraphs 2.1(d)(i) to (v) inclusive and all proceeds of expropriation or similar taking of the Real Property or any part or parts thereof and all benefit, power and advantage of the Chargor to be derived therefrom provided that all such proceeds shall be held and applied in accordance with the Credit Agreement;
- (e) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to all property in any form (including money) derived, directly or indirectly, from any dealing with the property referred to in subsections 2.1(a) to (d) inclusive, or proceeds therefrom or that indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed and damaged; and
- (f) grants, conveys, mortgages, charges, pledges and assigns as and by way of a floating charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of the undertaking, property, assets, rights, entitlements, benefits and privileges, both real and personal, moveable and immovable, of every nature and kind, now or at any time and from time to time hereafter existing and owned by the Chargor (except such property and assets as are validly and effectively subject to any fixed and specific mortgage and charge or assignment, transfer or security interest created hereby);

provided that the said grants, conveyances, mortgages, charges, pledges, transfers, assignments and security interests created pursuant to this Section 2.1 (the “**Security Interests**”) shall not: (i) extend or apply to any personal property which is “consumer goods”, as such term is defined in the Act; or (ii) extend to the last day of the term of any lease or any agreement therefor now held or hereafter acquired by the Chargor, but should such Security Interests become enforceable the Chargor shall thereafter stand possessed of such last day and shall hold it in trust for the Agent for the purpose of this Debenture and assign and dispose thereof as the Agent shall, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Agent, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person or persons as new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Chargor and to vest the same accordingly in the new trustee or trustees so appointed free and discharged from any obligation respecting the same.

All the undertaking, property and assets mortgaged and charged pursuant to Subsection 2.1(a) and all of the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Subsections 2.1(b), (e) and (f) hereof being hereinafter collectively referred to as the “mortgaged property”; all the undertaking, property and assets assigned, transferred and set over pursuant to Subsections 2.1 (c) and (d) being hereinafter collectively referred to as the “assigned property”; and the mortgaged property and assigned property being hereinafter collectively referred to as the “**Charged Premises**”. Wherever used herein in relation to the rights and remedies of the Agent the terms “Real Property”, “mortgaged property”, “assigned property” and “Charged Premises” shall, where the context permits, mean the whole or any part or parts thereof.

TO HAVE AND TO HOLD the Charged Premises and all rights hereby conferred unto the Agent, in its capacity as agent for and on behalf of the Secured Parties, and its successors and assigns, for the uses and purposes and with the powers and authorities and subject to the terms and conditions set forth herein and in the Credit Agreement.

2.2 Excluded Collateral: Notwithstanding anything contained in this Debenture, the Security Interests contained herein in respect of the Charged Premises, other than the Charged Premises referred to in Section 2.1 (a), shall not extend or attach to the right, title, interest or benefit of the Chargor in any of the Charged Premises, other than an account or chattel paper, which by law cannot be assigned or charged or which requires the consent of any third party to such assignment or charge (if such consent has not been given) or which, if assigned or charged, would give rise to a default, penalty or right of termination, other than an account or chattel paper to the extent any term therein that prohibits or restricts the grant of the security interests therein is unenforceable against the Agent under applicable law (collectively the “**Excluded Collateral**”). The Chargor agrees that, at the request of the Agent from time to time, it will, to the extent required under any Loan Document other than this Debenture, obtain such consents in respect of the Excluded Collateral and to the transfer or assignment of the Excluded Collateral to any third party who may acquire an interest in the Charged Premises as a result of the exercise by the Agent of its remedies hereunder. Upon such consent being obtained, the Security Interests

contained herein shall apply to such Excluded Collateral without regard to this Section 2.2 and without the necessity of any further assurance to effect the Security Interests contained herein in respect thereto. Until such consent is obtained, the Chargor shall, to the extent that it may do so by law or under the terms of the Excluded Collateral and without giving rise to any default, penalty or right of termination, hold all right, title, benefit and interest to be derived therefrom in trust for the Agent as additional security, as if the Security Interests contained herein applied, and shall deliver up such right, title, benefit and interest to the Agent forthwith upon the occurrence and during the continuance of an Event of Default.

2.3 Covenants of the Chargor: So long as any of the Secured Obligations shall remain unpaid and any Lender has obligations to provide credit facilities pursuant to any Loan Document, the Chargor covenants and agrees with the Agent as follows:

- (a) Restrictions on Mortgaging/Transferring: The Chargor shall not create, incur, cause or permit any mortgage, charge, pledge, assignment, transfer, conveyance or security interest in respect of any Charged Premises, except as permitted under the Credit Agreement (including Permitted Liens).

ARTICLE 3 **RIGHTS AND REMEDIES**

3.1 Remedies Upon Default: Upon and after the occurrence of an Event of Default that is continuing, the Agent may do any one or more of the following:

- (a) by written notice to the Chargor, declare the Secured Obligations to be immediately due and payable without the necessity of presentment for payment, or notice of non-payment and of protest (all of which are hereby expressly waived by the Chargor);
- (b) proceed to exercise any and all rights under this Debenture, the other Loan Documents and any other document or instrument executed pursuant to this Debenture or any other rights otherwise available to it whether under this Debenture, the other Loan Documents or otherwise, including enforcement of this Debenture;
- (c) take any action or proceeding authorized or permitted by this Debenture, the other Loan Documents or by law or equity, and file or cause to be filed on its behalf such proofs of claim and other documents as may be necessary or desirable to have its claims lodged in any bankruptcy, winding up or other judicial proceeding relative to the Chargor;
- (d) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

- (e) immediately enter upon and take possession of, disable or remove all of the Charged Premises or any part or parts thereof with power, among other things, to exclude the Chargor, to preserve and maintain the Charged Premises and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all reasonable expenses of maintaining, completing, repairing, preserving and protecting and operating the Charged Premises and all charges, payment of which may be necessary to preserve or protect the Charged Premises, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including power to advance its own moneys at the highest rate then borne by any of the Secured Obligations and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;
- (f) whether or not the Agent has taken possession of the Charged Premises or any of it, sell, lease or otherwise dispose thereof, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by law, either for cash or upon credit, at such time and upon such terms and conditions as the Agent may determine (including a term that a reasonable commission shall be payable to the Agent or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the Agent may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same;
- (g) require the Chargor, at the Chargor's expense, to assemble the Charged Premises at a place or places designated by notice in writing given by the Agent to the Chargor, and the Chargor agrees to so assemble the Charged Premises;
- (h) require the Chargor, by notice in writing given by the Agent to the Chargor, to disclose to the Agent the location or locations of the Charged Premises and the Chargor agrees to make such disclosure when so required by the Agent;
- (i) without legal process, enter any premises where the Charged Premises may be situated and take possession of the Charged Premises by any method permitted by law;
- (j) carry on all or any part of the business or businesses of the Chargor and, to the exclusion of all others including the Chargor, enter upon, occupy and, subject to any requirements of law and subject to any leases or agreements then in place, use all or any of the Real Property, premises, buildings, plant, undertaking, assets and other property comprising the Charged Premises for such time and in such manner as the Agent sees fit, free of charge and, except to the extent required by law, the Agent shall not be liable to the Chargor for any act, omission or negligence in so

doing or for any rent, charges, depreciation or damages or other amounts incurred in connection therewith or resulting therefrom;

- (k) borrow money for the purpose of carrying on the business of the Chargor relating exclusively to the Charged Premises or for the maintenance, preservation or protection of the Charged Premises and mortgage, charge, pledge or grant a security interest in the Charged Premises, whether or not in priority to the security interests created by this Debenture to secure repayment of any money so borrowed;
- (l) where the Agent has taken possession of the Charged Premises, retain the Charged Premises irrevocably, to the extent not prohibited by law, by giving notice thereof to the Chargor and to any other persons required by law in the manner provided by law;
- (m) send or employ inspectors or agents to inspect, audit and report upon the value, state and condition of the Charged Premises;
- (n) subject to Applicable Law, seize, collect, retain and administer the Charged Premises or any part or parts thereof in the Agent's discretion;
- (o) pay any encumbrance, lien, claim or charge that validly exists or has been threatened against any of the Charged Premises and any amounts determined to be validly existing shall, when so paid, together with any costs, charges and expenses incurred by the Agent (including legal fees and disbursements on a solicitor-client basis), be added to the Secured Obligations hereby and shall bear interest at the rate provided for in the relevant Loan Document;
- (p) take proceedings in any court of competent jurisdiction to enforce payment by the Chargor of the Secured Obligations or any deficiency remaining upon application of proceeds of realization which are actually received by the Agent;
- (q) exercise or pursue any other remedy or proceeding authorized or permitted hereby or by the Act or any similar personal property security legislation or by any other legislation in any jurisdiction in which any of the Charged Premises is located or otherwise permitted by law or equity; and
- (r) with or without entry into possession of the Charged Premises, or any part thereof, appoint a receiver (which term shall include a receiver and manager) of the Charged Premises or any part thereof and of the rents and profits thereof pursuant to and in accordance with the provisions of the Loan Documents and this Debenture and with or without security for the performance of the receiver's obligations and from time to time remove any receiver and appoint another in its stead. Upon the appointment of any such receiver or receivers from time to time, subject to Applicable Law, the following provisions shall apply:

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

- (i) every such receiver shall be the irrevocable agent of the Chargor for all purposes with respect to the Charged Premises including for the collection of all Revenues owing or earned in respect of the Real Property or any part thereof;
- (ii) every such receiver may, in the discretion of the Agent, be vested with all or any of the powers and discretion of the Agent under this Debenture and the Loan Documents, including the power to carry on all or any part of the business of the Chargor relating exclusively to the Real Property and to sell, lease or otherwise dispose of the Charged Premises, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by Applicable Law, either for cash or on credit, at such time and upon such terms and conditions as the receiver may determine (including a term that a reasonable commission shall be payable to the receiver, or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the receiver may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same and such receiver shall also have the power to take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
- (iii) the Agent may from time to time fix the remuneration of every such receiver and every such receiver shall be entitled to deduct the same out of the income from the Charged Premises or the proceeds of disposition of the Charged Premises;
- (iv) the appointment of every such receiver by the Agent shall not, to the extent permitted by law, incur or create any liability on the part of the Agent to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Agent a mortgagee in possession in respect of the Real Property or any part thereof;
- (v) every such receiver shall, from time to time, have the power to lease or otherwise deal with any portion of the Real Property which may become vacant or available for lease on such terms and conditions as such receiver may deem advisable and shall have full power to complete any unfinished construction upon the Real Property (such power of the receiver to include the power to borrow funds in the name of and on the credit of the Chargor for such purposes, which borrowings may be secured by the Charged

Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);

- (vi) every such receiver shall have full power to fully manage, develop, operate, lease, deal with agreements and Leases, construct, complete, repair, renovate or alter the Real Property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including entering into, amending and terminating such contracts and other agreements relating to the Charged Premises as are necessary or advisable, in the opinion of the receiver, and the entering into, renewal, amendment, supplement or termination of any agreements and Leases as the receiver may deem appropriate in its sole and absolute discretion; the aforementioned power shall include the power to borrow money in the name of and on the credit of the Chargor for all such purposes (which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vii) no such receiver shall be liable to the Chargor to account for monies other than monies actually received by or in respect of Charged Premises or any part thereof and out of such monies so received, every such receiver shall, subject to the further direction of the Agent, in the following order pay:
 - (A) his remuneration aforesaid;
 - (B) all payments made or incurred by him in connection with the management, operation, construction, completion, repair or alteration of the Charged Premises or any part thereof in accordance with the provisions thereof;
 - (C) all payments of interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to this Debenture or the Loan Documents and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part thereof and in payment of all interest, fees and other similar amounts due or falling due hereunder and the balance to be applied upon the Secured Obligations in accordance with the terms of the Credit Agreement; and
 - (D) at the discretion of the receiver, interest, principal and other monies which may from time to time constitute an encumbrance on the Charged Premises subsequent or subordinate to this Debenture or the Loan Documents;

and every receiver may in its discretion retain reasonable reserves to pay accruing amounts and anticipated payments in connection with any of the foregoing; and any surplus remaining in the hands of every such receiver after payments made as aforesaid shall be accountable to the Chargor and upon termination of the receivership such receiver shall pay such surplus to the Chargor or pay it into court, as the receiver may elect;

- (viii) the Agent may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver; and
- (ix) the receiver may carry out all actions and do all things that the Agent may do under this Debenture and the Loan Documents as if it were the Agent (it being agreed that such powers are not in any way limited by the foregoing provisions of this Subsection 3.1(r)).

3.2 Sale of Charged Premises: The Chargor agrees that any sale referred to in Section 3.1 may be either a sale of all or any portion of the Charged Premises and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which the Chargor waives to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Agent in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell. The Agent may sell the Charged Premises for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for the purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Chargor and all those claiming an interest in the Charged Premises by, from, through or under the Chargor.

3.3 References to the Agent Include Receiver: For the purposes of Sections 3.2, 3.4, 3.7, 3.8, 3.10, 3.11 and 3.14 a reference to the Agent shall, where the context permits, include any receiver or receiver and manager or other agent on behalf of the Agent.

3.4 Chargor's Rights: Subject to the terms of the Loan Documents, until the security hereby constituted shall become and remains enforceable, the Chargor shall be entitled to deal with the Charged Premises and enforce, use and enjoy all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon the security hereby constituted becoming and remaining enforceable, the Agent may, but shall not be obligated to, exercise all rights, powers, authority and discretions of the Chargor in respect of the Charged Premises in its place and stead.

3.5 Judgment: Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal hereby secured or interest thereon or other moneys owing hereunder nor shall such operate as a

merger of any covenant or affect the right of the Agent to interest at the rate hereinbefore specified and any judgment shall bear interest at such rate.

3.6 Interest: If any amount payable to the Agent under this Debenture is not paid when due, the Chargor will pay to the Agent, immediately on demand, interest on such amount from the date due until paid, at an annual rate equal to the interest rate stipulated therefor in the relevant Loan Document. All amounts payable by the Chargor to the Agent under this Debenture, and all interest on all such amounts will form part of the Secured Obligations and will be secured by the security interests created by this Debenture.

3.7 Charge as Security:

- (a) It is expressly acknowledged and agreed that nothing herein contained shall obligate the Agent to assume or perform any obligation of the Chargor to any third party in respect of or arising out of any of the Charged Premises. The Agent may, however, at its option, assume or perform any such obligations as the Agent considers necessary or desirable to obtain the benefit of the Charged Premises free of any set-off, deduction or abatement and any money expended by the Agent in this regard shall form part of and shall be deemed to form part of the Secured Obligations and bear interest at the rate stipulated in Section 3.6.
- (b) The exercise by the Agent of its rights under this Debenture or the assumption of certain obligations of the Chargor as referred to in Subsection 3.7(1) above shall not constitute or have the effect of making the Agent a mortgagee in possession. Care, control and management of the Charged Premises shall remain and shall be deemed to be with the Chargor in the absence of clear and unequivocal action by the Agent depriving the Chargor of such care, control and management and the assumption thereof by the Agent.

3.8 Limitations on Agent's Liability: The Agent will not be liable to the Chargor or any other Person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver or agent of the Agent is required to take, or will have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other Persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Chargor will bear the full risk of all, loss or damage to any and all of the Charged Premises (including any Charged Premises in the possession of the Agent or any receiver or agent) caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

3.9 Chargor Remains Liable under Accounts and Contracts: Notwithstanding any provision of this Debenture, the Chargor will remain liable under each of the agreements, contracts, Leases, material agreements, and other documents comprising the Charged Premises (each a "**Contract**") to pay and satisfy all indebtedness, liabilities and other monetary obligations and to

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the Chargor thereunder, all in accordance with the terms of each such Contract. The Agent will have no obligation or liability under any account or monetary obligation (an “**Account**”) (or any Contract giving rise thereto) or Contract by reason of or arising out of this Debenture or the receipt by the Agent of any payment relating to such Account or Contract pursuant hereto, and in particular (but without limitation), the Agent will not be obligated in any manner to perform any of the obligations of the Chargor under or pursuant to any Account (or any Contract giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any Contract giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.10 Dealings by Agent: The Agent will not be obliged to exhaust its recourse against the Chargor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Charged Premises in such manner as the Agent may consider desirable. The Agent may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Chargor and any other Person, and with any or all of the Charged Premises, and with other security and sureties, as the Agent may see fit, all without prejudice to the Secured Obligations or to the rights and remedies of the Agent under this Debenture or the other Loan Documents. The powers conferred on the Agent under this Debenture are solely to protect the interests of the Agent in the Charged Premises and will not impose any duty upon the Agent to exercise any such powers.

3.11 Possession of Charged Premises: Where any Charged Premises is in the possession of the Agent or any receiver or agent:

- (a) the Agent shall only have the duty of care with respect to such Charged Premises as would a reasonable and prudent owner, including the duty to use reasonable care in the custody and preservation thereof, provided that the Agent need not take any steps of any nature to defend or preserve the rights of the Chargor therein against the claims or demands of others or to preserve rights therein against prior parties;
- (b) the Agent may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such Charged Premises upon any terms provided that such terms do not impair the Chargor’s right to redeem such Charged Premises; and
- (c) the Agent may, at any time following the occurrence of an Event of Default which is continuing, use such Charged Premises in any manner and to such extent as it deems necessary or desirable.

3.12 After Acquired Property: The Chargor covenants and agrees that, if and to the extent that any of its respective rights, titles, estates and interests in any of the Charged Premises is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the Security Interests of the Agent hereby created shall attach to such Charged Premises at the same time as the Chargor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or assurance and thereafter such Charged Premises shall be subject to the Security Interests created hereby in accordance with the provisions of Section 2.1 hereof.

3.13 Attachment: The Chargor hereby acknowledges and agrees that value has been given for the granting of the Security Interests created hereby and that there is no agreement between the Chargor and the Agent, express or implied, to postpone the attachment of the Security Interests created hereby except in respect of after-acquired property forming part of the Charged Premises with respect to which the Security Interests created hereby shall attach at the same time as the Chargor acquires rights therein or thereto.

3.14 Indemnity: The Chargor agrees to indemnify the Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent and arising by reason of any action (including any action referred to in this Debenture) or inaction or omission to do any act legally required by the Chargor other than by reason of the gross negligence or wilful misconduct of the Agent. This indemnification will survive the satisfaction, release or extinguishment of the Secured Obligations and the security interests created by this Debenture.

3.15 General Assignment of Rents and Leases: As general and continuing security for payment and performance of the Secured Obligations, the Chargor hereby assigns, transfers, grants and sets over to the Agent, as and by way of a first fixed and specific assignment and security interest, (but subject to the limitations in Section 2.2) all legal and beneficial right, title and interest in and to (i) the rents and other monies now or hereafter due and payable in respect of the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for same in the name of the Chargor or the owner from time to time of the Real Property or in the name of the Agent, as the Agent may determine in its sole discretion, and (ii) the Leases with full benefit and advantage thereof including the benefit of all covenants and agreements contained in the Leases on the part of the tenants therein or any guarantor or indemnitor thereof to be observed, performed or kept, including all proceeds of or from any of the foregoing. This assignment and security interest is in addition to and not in substitution for any other general assignment of the rents and Leases and other security granted by the Chargor to the Agent to secure the Secured Obligations.

ARTICLE 4
GENERAL PROVISIONS

4.1 Remedies Cumulative and Waivers: For greater certainty, it is expressly understood and agreed that the rights and remedies of the Agent hereunder or under any other document or instrument executed pursuant to this Debenture are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Debenture or other document or instrument executed pursuant to this Debenture or the Loan Documents shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Agent may be lawfully entitled for such default or breach. Any waiver by the Agent of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained and any indulgence granted either expressly or by course of conduct by the Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Agent under this Debenture or other document or instrument executed pursuant to this Debenture as a result of any other default or breach hereunder or thereunder.

4.2 Termination: The Agent covenants and agrees with the Chargor that, if the Chargor pays, performs, satisfies and extinguishes all Secured Obligations and if no Secured Creditor has any further obligation to provide or continue to provide credit facilities to the Chargor pursuant to any Loan Document, this Debenture shall be and become fully ended and terminated and all right, title, interest and benefit of the Chargor in, to, under or in respect of the Charged Premises, assigned by it to, or held by it in trust for, the Agent hereunder shall automatically revert to the Chargor or its successors or assigns, and all covenants and agreements of the Chargor hereunder shall be at an end and the Agent, upon the request and at the expense of the Chargor, shall execute such instruments, discharges or re assignments and give such notification or assurances as the Chargor may properly require to fully release, discharge and cancel this Debenture in the circumstances.

4.3 Notice: Subject to the last sentence of this Section 4.3, any demand, notice, consent or other communication to be made or given hereunder shall be in writing and may be made or given by delivery or by transmittal by telecopy addressed to the respective parties as follows:

(a) to the Chargor, at:

c/o Bondfield Construction Company Limited
407 Basaltic Road
Concord, ON L4K4W8

Attention: John Aquino
Facsimile No.: (416) 667-8462

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

to the Agent, at:

Bridging Finance Inc.
77 King Street West
Suite 2925, P.O. Box 322
Toronto, ON M5K 1K7

Attention: Natasha Sharpe, Chief Investment Officer
Facsimile No: 1-888-920-9599
E-mail: nsharpe@bridgingfinance.ca

or to such other address or telecopy number as any party may from time to time notify to the other in accordance with this Section 4.3. Any demand, notice, consent or communication made or given by delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, or, if made or given by telecopy, on the first Business Day following the transmittal thereof.

4.4 Further Assurances: Each party shall, at its own expense, promptly execute and deliver to the other upon request all such other and further documents, agreements, opinions, certificates and other instruments in compliance with or accomplishment of their covenants and agreements hereunder or under any document to be delivered pursuant hereto or otherwise necessary to make any recording, file any notice or obtain any consent, all as may be reasonably necessary and appropriate in connection herewith.

4.5 Continuing Security: This Debenture and the rights and remedies it creates are a continuing agreement and security and shall bind the parties until discharge of this Debenture as provided in Section 4.2 hereof. No payment by the Chargor of the whole or any part of any Secured Obligations by this Debenture shall reduce the amount secured hereby unless specifically appropriated to and noted on this Debenture by the Agent.

4.6 No Marshalling: This Debenture shall be in addition to and not in substitution for any other security which the Agent may now or hereafter hold in respect of the Secured Obligations and the Agent shall be under no obligation to marshal in favour of the Chargor, any other Obligor or other lender or holder of security, any monies or other assets which the Agent may be entitled to receive or upon which the Agent may have a claim.

4.7 Agreement Paramount: This Debenture is issued subject to the terms of the Credit Agreement. In the event of any inconsistency or conflict between the terms of this Debenture and the Credit Agreement, the terms of the Credit Agreement shall govern. Notwithstanding the foregoing and for greater certainty, the remedies available to the Agent pursuant to this Debenture are in addition to and not in substitution for any remedies set out in the Credit Agreement or the Loan Documents.

4.8 Amendment of Agreement: No supplement, modification, amendment, waiver or termination of this Debenture shall be binding unless executed in writing by all parties hereto.

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

No waiver of any provision of this Debenture shall be deemed or shall constitute a waiver of any other provision of this Debenture (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise so expressed or provided.

4.9 Invalidity of Provisions: If any of the provisions in this Debenture should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

4.10 Time: Time shall be of the essence in this Debenture.

4.11 Successors and Assigns: This Debenture and all its provisions shall enure to the benefit of and shall be binding upon the Agent and the Chargor and their respective successors and permitted assigns.

4.12 Assignment by Agent: The rights of the Agent under this Debenture may be assigned by the Agent, in accordance with the terms of the Credit Agreement, without the prior consent of the Chargor. The Chargor may not assign its obligations under this Debenture.

4.13 Attorney: The Chargor hereby irrevocably nominates, constitutes and appoints the Agent and each of its officers holding office from time to time as the true and lawful attorney of the Chargor with full power of substitution in the name of the Chargor to do any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Agent reasonably considers necessary or desirable to carry out the provisions and purposes of this Debenture and to perform all acts of ownership in respect to the Charged Premises in accordance with this Debenture or to exercise any of its rights and remedies hereunder, such power being coupled with an interest, and the Chargor hereby ratifies and agrees to ratify all reasonable acts of any such attorney taken or done in accordance with this Section 4.13. Without in any way limiting the generality of the foregoing, the Agent shall have the right to execute for and in the name of the Chargor all financing statements, financing change statements, conveyances, transfers, assignments, consents and other instruments as may be required for such purposes. This power of attorney shall not be revoked or terminated by any act or thing other than the discharge of this Debenture in accordance with Section 4.2. The power of attorney granted in this section may only be exercised during the continuance of an Event of Default.

4.14 Acknowledgement by Chargor: The Chargor acknowledges receipt of a copy of this Debenture and hereby expressly waives the right to receive a copy of any financing statement or a copy of the statement confirming the registration of any financing statement that may be registered in connection with any security interest created under this Debenture.

4.15 Applicable Law: This Debenture shall be governed in all respects by the laws of the Province of Ontario and the laws of Canada applicable therein.

4.16 Attornment: The Chargor submits to the non-exclusive jurisdiction of any court in the Province of Ontario in any action or proceeding arising out of or relating to this Debenture, and the Chargor irrevocably agrees that all claims in respect of any such action or proceeding may be

heard and determined in any such court or in any other court of competent jurisdiction selected by the Agent.

4.17 Land Registration Reform Act: The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) are, to the extent inconsistent with the provisions hereof, hereby expressly excluded and replaced by the terms of this Debenture.

[SIGNATURE PAGE FOLLOWS]

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

IN WITNESS WHEREOF, the parties have duly executed this Debenture as of the date first written above.

1087507 ONTARIO LIMITED

By: 

Name: John Aquino
Title: Vice President

By: _____

Name:
Title:

I/We have authority to bind the Corporation

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

BRIDGING FINANCE INC.

By:



Name: *NATASHA SHARPE*
Title: *CIO*

By: _____

Name:
Title:

I/We have authority to bind the Corporation

DEMAND DEBENTURE
1087507 ONTARIO LIMITED
(Bondfield Construction)

SCHEDULE "A"

None.

SCHEDULE "B"

PIN 03725-0367 (LT)

Part of Lot 35, Concession 6 Markham as in R643215, Except Part 1, Expropriation Plan YR1315253, s/t MA23836 if any; Town of Whitchurch-Stouffville, Regional Municipality of York

Municipally known as 4431 Stouffville Road, Stouffville, Ontario

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

yyyy mm dd Page 1 of 9

Properties

PIN 03725 - 0367 LT
Description PT LOT 35 CON 6 MARKHAM AS IN R643215 EXCEPT PT 1, EXPROP PL YR1315253.
 S/T MA23836 IF ANY ; WHITCHURCH-STOUFFVILLE.
Address 4431 STOUFFVILLE ROAD
 STOUFFVILLE

Applicant(s)

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

Name 1087507 ONTARIO LIMITED
Address for Service c/o 407 Basaltic Road
 Concord, Ontario
 L4K 4W8
 Attention: Ralph Aquino

I, John Aquino, Vice President, have the authority to bind the corporation.

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

Party To(s)*Capacity**Share*

Name BRIDGING FINANCE INC.
Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, Ontario
 M5K 1K7

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, YR2706728 registered on 2017/07/25 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Applicant(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Party To(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP 1 First Canadian Place, 61st Floor, 2017 07 25
 Box 50
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Fees/Taxes/Payment

Statutory Registration Fee	\$63.35
Total Paid	\$63.35

File Number

Applicant Client File Number : 1114463

THIS AGREEMENT made as of this 24th day of July, 2017.

B E T W E E N:

1087507 ONTARIO LIMITED

(hereinafter referred to as the "COMPANY")

- and -

BRIDGING FINANCE INC.

(hereinafter referred to as the "LENDER")

WHEREAS:

- A. The Company is the registered owner of the lands and premises which are more particularly described in the attached Schedule "A" (the "**Premises**") and which are subject inter alia, to a debenture or mortgage in favour of the Lender securing a principal amount of \$90,000,000.00, registered on the same date as this Assignment in the applicable Land Registry Office for the Premises (as amended from time to time herein called the "**Mortgage**").
- B. The Company agreed to assign the rents reserved and payable under any current leases for which notice has been registered in the land titles office with respect to the premises located in the buildings now or hereafter situated on the Premises (herein called the "**Current Lease**"), together with all leases with respect to the premises located in the buildings now or hereafter situated on the Premises in effect from time to time (the "**General Leases**") and together with all future leases (herein called the "**Future Leases**") with respect to the premises located in the buildings now or hereafter situated on the Premises to the Lender as collateral security for the payment of the obligations secured by the Mortgage (the Current Lease, General Leases, and Future Leases herein collectively called the "**Leases**").

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the Lender to the Company, (the receipt and sufficiency whereof is hereby acknowledged by the Company) the Company and Lender hereby agree as follows:

1. ASSIGNMENT

Subject to any prior assignments, the Company hereby transfers, assigns and sets over unto the Lender all of its respective right, title and interest in the following (herein called the "Assignment"):

(a) the Leases;

(b) all rents and monies payable under the Leases or any extensions or renewals thereof and all monies payable pursuant to any repudiation, disclaimer, termination or surrender thereof, whether by mutual agreement or as permitted by a Court of competent jurisdiction pursuant to any applicable legislation (the "**Rents**"); and

(c) the benefit of all covenants, stipulations and provisions contained in the Leases;

to hold and receive the same unto the Lender as continuing collateral security for the obligations secured by the Mortgage.

2. COLLECTION

Nothing herein contained shall be deemed to have the effect of making the Lender responsible for the collection of the Rents or any part thereof or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained in the Leases and the Lender shall not by virtue of these presents be deemed a mortgagee in possession of the Premises or any of them and this Assignment shall not of itself create the relationship of landlord and tenant between the Lender and any lessee.

3. ACCOUNTING

The Lender shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents and such monies when received by the Lender shall be applied on account of the monies from time to time secured by the Mortgage and any renewal thereof or amendment thereto or under any agreement collateral thereto.

4. NON-WAIVER

(a) The parties agree that none of the rights or remedies of the Lender as mortgagee under the Mortgage shall be delayed or in any way prejudiced by this Assignment or by any act of the Lender pursuant to this Assignment.

(b) The parties agree that notwithstanding any variation of the terms of this Assignment, the Mortgage or any agreement or arrangement with the Company or any extension of time for payment or any release of part or parts of the Premises, or of any collateral or additional security which may be given to the Lender, the Leases, Rents and other benefits hereby assigned shall continue as security until the whole of the monies payable pursuant to the Mortgage shall be fully paid and satisfied.

(c) The Lender may waive any default or breach of covenant herein and shall not be bound to serve any notice upon the lessees upon the happening of any default or breach of covenant but any such waiver shall not extend to any subsequent default or breach of covenant.

5. FURTHER ASSURANCES

The Company and Lender covenant and agree each with the other from time to time and at all times hereafter at the request of the other to execute and deliver without expense any documentation required to give full and further effect to this Assignment, and to provide any other parties thereto a notice of the Assignment and to use reasonable efforts to obtain from them acknowledgements of such notice, both in form and content acceptable to the Lender, acting reasonably.

6. NOTICE

Until demand under the Mortgage, and until the Lender serves notice thereof to the Company (the "Notice"), the Company shall be entitled to receive the Rents and shall not be liable to account therefor to the Lender; provided, however, after such Notice the Lender shall be entitled to collect all Rents falling due subsequent to the date of service of the Notice, and to enforce all remedies of the lessor by virtue this Assignment.

7. PERFORMANCE BY COMPANY AS LESSOR

The Company hereby covenants with the Lender that notwithstanding any act of the Company the Leases, if any, are, in all material respects, good, valid and subsisting and that the covenants and obligations therein have been duly observed and performed by the Company up to the date hereof in all material respects and, the Company now has good right, full power and absolute authority to make this Assignment.

8. REPRESENTATIONS BY COMPANY WITH RESPECT TO EXISTING LEASES

The Company hereby represents and warrants that none of the lessees are in default under any of the terms, covenants or conditions of the Leases, and that as of the date hereof none of the lessees has any defence, set-off or counterclaim of a material nature respecting the relevant Leases against the Company, and that no Rents have been prepaid more than 2 months in advance of the accrual thereof.

9. MANAGEMENT OF LEASES PRIOR TO NOTICE

The Company covenants to observe and perform all of the lessor's covenants and obligations contained in the Leases, and to maintain, manage and lease the Premises in accordance with sound business practices.

10. DEALINGS WITH LEASES

(a) Except in accordance with prudent business practice, the Company shall not without the prior written consent of the Lender accept prepayments, surrender, or terminate or materially amend any of the Leases, or give any consent, concession or waiver or exercise any option of the Company permitted by such terms, or effect a merger, elimination or material

diminution of the obligations of the lessees thereunder. The Company upon request of the Lender shall execute and deliver all such further assurances and provide copies and/ or details as the Lender from time to time shall reasonably require in order to cause prompt action, including legal proceedings for enforcement of this Assignment and all other remedies available to the Lender hereunder to be commenced against any delinquent party as soon as reasonably necessary to protect the interest of the lessor.

(b) Notwithstanding anything else herein contained, in the event that any tenant is permitted by a court of competent jurisdiction to repudiate, disclaim, terminate, surrender or otherwise materially amend any lease pursuant to the Bankruptcy and Insolvency Act, as amended from time to time, or any similar legislation, then any payment to the Company as landlord shall be received by the Company in trust for the Lender, and the Company shall forthwith remit such payment to the Lender to be held by the Lender as cash collateral security or to be applied against the indebtedness of the Company to the Lender, or any part of such indebtedness, all as the Lender shall see fit.

11. ENFORCEMENT OF LENDER REMEDIES

(a) Upon delivery of the Notice the Lender shall be entitled to exercise from time to time, all of its rights and remedies in law or in equity, in addition to any remedies set out herein, including without limitation, foreclosure, power of sale, appointment of a receiver, distress, attornment of rents, taking possession of the Premises, and suit upon the covenant. In the event the Lender does not invoke any specific remedy at any specific time, the Lender shall not be deemed to have waived such remedy.

(b) All remedies shall be cumulative and concurrent and not alternative and may be pursued separately, successively or concurrently against the Company, against the Premises, or any or all of them as often as occasion therefor shall arise.

(c) The Lender shall have the power to apply all monies received pursuant to this Assignment in such order as the Lender may reasonably determine, towards payment of the obligations secured by the Mortgage and payment of any and all sums, monies, costs, charges and expenses incurred by the Lender in exercise of any of its rights and remedies herein including taxes, insurance, usual and customary commissions to a real estate broker for leasing real estate and collecting rents, if any, and the reasonable expenses and fees of all solicitors (on a solicitor and client basis), agents and servants which expenses may be reasonably necessary to exercise the powers granted to the Lender hereunder.

(d) The exercise of any remedies herein by the Lender shall not render the Lender liable to any lessee for the return of any security deposit, or for any act or breach committed by the Company.

(e) The Lender shall be entitled to give notice to the lessee from time to time of this Assignment, and the effecting of such remedies as the Lender determines from time to time, provided however, any notice delivered prior to the Notice shall merely indicate existence of the Assignment, and shall direct and permit the recipient of such Notice to continue to pay Rents and other amounts payable under the relevant lease to the Company, subject to such limitations with respect to prepaid amounts as are contained herein.

(f) The Company hereby appoints the Lender to be the true and lawful attorney of the Company after receipt of the Notice for and in the name of the Company to demand, recover and enforce payment of Rents and to enforce observance of covenants by lessees pursuant to the Leases, and to institute such actions at law or in equity, or take such proceedings by distress or otherwise as the Lender shall from time to time determine. This power of attorney shall be a power coupled with an interest and shall be irrevocable by the Company.

12. RE-ASSIGNMENT

(a) Upon repayment of the Mortgage, the Company shall be entitled at the Company's expense to a release and/or re-assignment of the Assignment in registerable form, and discharge of any financing statements relating thereto.

(b) The Lender shall be entitled to deliver a re-assignment of this Assignment to the Company from time to time in its sole discretion.

13. SUCCESSORS AND ASSIGNS

This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

14. AFTER ACQUIRED PROPERTY

This Assignment shall apply and the security interest hereby created shall attach to any Future Leases entered into by the Company respecting the Premises without the necessity of any further assignment or other assurances.

15. SEVERABILITY

In case any of the provisions of this Assignment shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Assignment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

16. GOVERNING LAW

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

- S1 -

IN WITNESS WHEREOF, each of the undersigned has affixed its corporate seal under the hands of its duly authorized signing officer as of the date first written above.

1087507 ONTARIO LIMITED

Per: _____

Name: John Aquino
Title: Vice-President

Per: _____

Name:
Title:

I/We have the authority to bind the Corporation

SCHEDULE "A"**Legal Description**

PIN 03725-0367 (LT)

Part of Lot 35, Concession 6 Markham as in R643215, Except Part 1, Expropriation Plan YR1315253, s/t MA23836 if any; Town of Whitchurch-Stouffville, Regional Municipality of York

Municipally known as 4431 Stouffville Road, Stouffville, Ontario

H

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

yyyy mm dd Page 1 of 25

Properties

PIN 03272 - 0071 LT *Interest/Estate* Fee Simple
Description PCL 1-1 SEC 65M3040; LT 1 PL 65M3040; S/T LT1059554 ; S/T LT1055473 VAUGHAN
Address 407 BASALTIC ROAD
 VAUGHAN

Chargor(s)

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

Name 1033803 ONTARIO INC.
Address for Service c/o 407 Basaltic Road
 Concord, ON L4K 4W8
 Attention: Ralph Aquino

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

Chargee(s)*Capacity**Share*

Name BRIDGING FINANCE INC.
Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, ON M5K 1K7

Statements

Schedule: See Schedules

Provisions

Principal \$90,000,000.00 *Currency* CDN
Calculation Period
Balance Due Date On Demand
Interest Rate See schedule attached
Payments
Interest Adjustment Date
Payment Date See Schedule attached
First Payment Date
Last Payment Date
Standard Charge Terms N/A
Insurance Amount full insurable value
Guarantor

Additional Provisions

See debenture attached for additional charge provisions.

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Chargor(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP

1 First Canadian Place, 61st Floor,

2017 07 25

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

Submitted By

Box 50
Toronto
M5X 1B8

Tel 416-362-2111
Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee	\$63.35
Total Paid	\$63.35

File Number

Chargor Client File Number : 1114463

DEMAND DEBENTURE

PRINCIPAL SUM: \$90,000,000

DATE: as of July 24, 2017

ARTICLE 1 PROMISE TO PAY

1.1 Promise to Pay: 1033803 ONTARIO INC. (hereinafter referred to as the “**Chargor**”), for value received, hereby acknowledges itself indebted and covenants and promises to: (i) pay to or to the order of **BRIDGING FINANCE INC.**, in its capacity as agent for and on behalf of the Secured Parties (as defined below) (including its successors and assigns, the “**Agent**”), at the address set forth in Section 4.3 or at such other place as the Agent may designate by notice in writing to the Chargor, ON DEMAND, the aggregate principal amount of **NINETY MILLION DOLLARS** (\$90,000,000) or such lesser principal amount as is from time to time owing in respect of the Secured Obligations (as defined below), together with interest thereon, from and including the date hereof (or from and including the last interest payment date to which interest shall have been paid) to and including the date of payment, at a rate of twenty-five per cent (25%) per annum, calculated and compounded monthly on the first day of each month, as well after as before demand and as well after as before default or judgment with interest on overdue interest at the same rate; and (ii) to perform the Secured Obligations (as defined below).

This Debenture secures payment to the Secured Parties of all of the Secured Obligations.

To the extent that the Secured Obligations consist, in part, of revolving facilities which permit the Chargor to borrow certain principal amounts, repay all or a portion of such principal amounts, and re-borrow the amounts previously repaid, this Debentures secures all Secured Obligations that are advanced and re-advanced.

Notwithstanding any other provision of this Debenture, if the security constituted by this Debenture becomes enforceable, the Chargor will not be liable to pay under this Debenture any greater amount than the aggregate of the Secured Obligations.

1.2 Interpretation: In this Debenture, unless there is something in the subject matter or context that is inconsistent therewith, all capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement. In this Debenture words importing the singular number only include the plural and vice versa, words importing any gender include all genders. Unless otherwise specifically provided, reference in this Debenture to any contract, agreement or any other instrument shall be deemed to include references to the same as varied, amended, supplemented, restated or replaced from time to time, and reference in this Debenture to any enactment including any statute, law, by-law, regulation, ordinance or order, shall be deemed to include references to such enactment as re-enacted, amended, extended or replaced from time to time. The terms “including” and “includes” mean “including without limitation” and “includes without limitation”, respectively. In addition, the following terms shall have the following meanings:

“**Account**” has the meaning set out in Section 3.9 hereof.

“**Act**” has the meaning set out in Section 2.1 (b) hereof.

“**Contract**” has the meaning set out in Section 3.9 hereof.

“**Credit Agreement**” means the credit agreement made as of July 24, 2017 among Bondfield Construction Company Limited (the “**Borrower**”), as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Lenders.

“**Easements**” means all present and future easements, rights of way, licences and privileges appurtenant or appertaining to the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Event of Default**” means (i) an “Event of Default” as defined in the Credit Agreement, (ii) a “default” or “event of default” as defined in any other Secured Agreement, or (iii) any other event or circumstance which (x) entitles the Agent or the other Secured Parties to cause, or has the effect of causing, any obligations under any Secured Agreement to become due at or prior to any stated maturity or the termination of any Secured Agreement or, in the case of obligations payable on demand, which causes such obligations to become immediately due and payable, or (y) results in any Encumbrance contained in any security securing payment or performance of Secured Obligations becoming enforceable either with or without the giving of further notice.

“**Excluded Collateral**” has the meaning set out in Section 2.2 hereof.

“**Landlord Leases**” means all present and future leases, subleases, offers to lease or sublease, letter agreements, occupying or tenancy agreements, lease or sublease proposals and lease or sublease amending agreements relating to all or part of the Real Property made by the Chargor as landlord or lessor.

“**Leases**” means all present and future leases, subleases, licences and other occupancy or use agreements, affecting the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Lenders**” means BRIDGING FINANCE INC. and other lenders from time to time that are a party to the Credit Agreement and their respective successors and assigns.

“**Person**” or “**person**” means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual.

“**Real Property**” has the meaning set out in Section 2.1(a) hereof.

“**Revenues**” has the meaning set out in Section 2.1(b)(vi) hereof.

“**Secured Agreements**” means the Credit Agreement, the other Loan Documents and all other instruments or agreements under which arise any Secured Obligations, and includes all amendments, supplements, restatements and replacements thereto and thereof from time to time. Any reference herein to the “Secured Agreements” means and includes any one or more of them.

“**Secured Obligations**” means all indebtedness, liabilities and obligations of the Chargor to the Secured Parties, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Chargor to the Secured Parties in any currency, and wherever incurred, and whether incurred by the Chargor alone or with another or others and whether as principal or surety, under or in connection with the Credit Agreement and the other Loan Documents (including any guarantees of the obligations of the Borrower) and all cash consolidation, cash management, foreign exchange, credit card, electronic funds management and other arrangements and facilities (including account consolidation, mirror netting services and other money management services agreements) established by the Secured Parties for the Chargor from time to time, and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Agreement. In this definition, “Secured Parties” shall be interpreted as “Secured Parties, or any of them”.

“**Secured Parties**” means all Persons from time to time defined as a “Lender”, “Agent”,

“**Administrative Agent**” or “Other Secured Party” in the Credit Agreement, in their various capacities as creditors under the Secured Agreements.

“**Secured Property**” means the lands and premises described in Schedule “B” attached hereto, together with all rights and privileges appertaining thereto and all buildings, improvements and structures now or hereafter constructed or placed therein, thereunder or thereon.

“**Security Interests**” has the meaning set out in Section 2.1 hereof.

ARTICLE 2

SECURITY

2.1 Security: As security for the due and timely payment and performance of all Secured Obligations the Chargor:

- (a) grants, mortgages and charges (and provided that where the interest of the Chargor in any Secured Property is by way of leasehold, such mortgage and charge is by way of sublease) as and by way of a first fixed specific mortgage and charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to: (i) the Secured Property; (ii) the Leases; (iii) the Easements; (iv) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed in, under or upon the Secured Property or the Easement lands; and (v) all interests in any of the foregoing and all benefits and rights to be derived by the Chargor in respect thereof (collectively, the “**Real Property**”);

(b) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, of all of its right, title, estate and interest, present and future, in and to any and all personal property in which a security interest can be taken, reserved, created or granted whether under the *Personal Property Security Act* (Ontario) (the “Act”), any similar personal property security legislation in any jurisdiction in which any of the charged premises is located or otherwise under any statute or law or in equity and which is now or at any time hereafter owned by the Chargor or in which the Chargor now has or at any time hereafter acquires any interest of any nature whatsoever, including, without in any way limiting the generality of the foregoing, the interest of the Chargor in:

- (i) all present and future rights, agreements, licenses, permits, consents, policies, approvals, development agreements, building contracts, performance bonds, purchase orders, plans, patents, trademarks, trade names, copyrights and other industrial and intellectual property, in connection with the Real Property;
- (ii) all present and future rents, revenues, income, insurance proceeds, expropriation proceeds, other proceeds and other monies to which the Chargor may from time to time be entitled from all sources which pertain to or are derived from the Real Property, or any part thereof including, all income and proceeds (whether in cash or on credit) received or receivable by or on behalf of the Chargor in respect of the use, occupancy or enjoyment of any such property or any part thereof or for the sale of goods or the provision of services on, at or from any such property or from judgments, settlements or other resolutions of disputes relating to the ownership, use, construction, development, operation, maintenance or management of any such property (collectively, “Revenues”); and
- (iii) the benefit of any guarantees, warranties or indemnities relating to all or part of the property referred to in paragraphs 2.1(b)(i) or (ii) inclusive;

and with respect to paragraphs 2.1 (b)(i) to (iii) inclusive, in, to and under all amendments, extensions, renewals, replacements and substitutions of any of the foregoing, all increases, additions and accessions thereto and all rights, remedies, powers, easements, privileges and claims of the Chargor thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) including, without limitation, the right of the Chargor to enforce the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

(c) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a fixed and specific assignment, all of its right, title, estate and interest, present and future, in and to:

- (i) any agreements relating to the Real Property (including those relating to construction or development on, or operation of, the Real Property) or the business, undertaking and operations of the Chargor; and
 - (ii) all amendments, extensions, renewals, replacements and substitutions of any of the property referred to in paragraph 2.1(c)(i) and all benefits, rights, remedies, privileges, claims, powers and advantages of the Chargor to be derived therefrom or thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) and all covenants, obligations and agreements of the other parties thereto including the right of the Chargor to enforce any of the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;
- (d) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a general assignment, all of its right, title, estate and interest present and future, in and to:
- (i) the Landlord Leases and all benefits, powers and advantages of the Chargor to be derived therefrom and all covenants, obligations and agreements of the tenants thereunder or in any agreement collateral thereto including, without limitation, the benefit of any right, option or obligation of any tenant or other person to acquire any of the Real Property or an interest therein, to renew or extend the Landlord Leases or any one of them, to lease other space and any other collateral advantage or benefit to be derived from the Landlord Leases or any of them;
 - (ii) all rents and other moneys now due and payable or hereafter to become due and payable under the Landlord Leases and each guarantee of or indemnity in respect of the obligations of the tenants thereunder with full power to demand, sue for recovery, receive and give receipts for all such rents and other moneys and otherwise to enforce the rights of the Chargor thereto in the name of the Chargor;
 - (iii) all present and future intangibles arising from or out of the Real Property or any part or parts thereof and the property and assets referred to in subsections 2.1 (b) and (c) above including, without limiting the generality of the foregoing, all of its rights, title and interest in all present and future book debts, accounts and other accounts receivable, contract rights and choses in action;
 - (iv) any and all existing or future agreements, contracts, licences, permits, plans and specifications, bonds, letters of credit, letters of guarantee or other documents or instruments relating to the Real Property or any part or parts thereof and all extensions, amendments, renewals or substitutions thereof or therefor which may hereafter be effected or entered into and all benefit, power and advantage of the Chargor to be derived therefrom;

- (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments relating to the Real Property or any part or parts thereof and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder and all benefit, power and advantage of the Chargor to be derived therefrom; and
- (vi) the proceeds of any and all existing or future insurance policies pertaining to the Real Property or the property and assets referred to in subsections 2.1(b) and (c) and paragraphs 2.1(d)(i) to (v) inclusive and all proceeds of expropriation or similar taking of the Real Property or any part or parts thereof and all benefit, power and advantage of the Chargor to be derived therefrom provided that all such proceeds shall be held and applied in accordance with the Credit Agreement;
- (e) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to all property in any form (including money) derived, directly or indirectly, from any dealing with the property referred to in subsections 2.1(a) to (d) inclusive, or proceeds therefrom or that indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed and damaged; and
- (f) grants, conveys, mortgages, charges, pledges and assigns as and by way of a floating charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of the undertaking, property, assets, rights, entitlements, benefits and privileges, both real and personal, moveable and immovable, of every nature and kind, now or at any time and from time to time hereafter existing and owned by the Chargor (except such property and assets as are validly and effectively subject to any fixed and specific mortgage and charge or assignment, transfer or security interest created hereby);

provided that the said grants, conveyances, mortgages, charges, pledges, transfers, assignments and security interests created pursuant to this Section 2.1 (the “**Security Interests**”) shall not: (i) extend or apply to any personal property which is “consumer goods”, as such term is defined in the Act; or (ii) extend to the last day of the term of any lease or any agreement therefor now held or hereafter acquired by the Chargor, but should such Security Interests become enforceable the Chargor shall thereafter stand possessed of such last day and shall hold it in trust for the Agent for the purpose of this Debenture and assign and dispose thereof as the Agent shall, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Agent, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person or persons as new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Chargor and to vest the same accordingly in the new trustee or trustees so appointed free and discharged from any obligation respecting the same.

All the undertaking, property and assets mortgaged and charged pursuant to Subsection 2.1(a) and all of the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Subsections 2.1 (b), (e) and (f) hereof being hereinafter collectively referred to as the “mortgaged property”; all the undertaking, property and assets assigned, transferred and set over pursuant to Subsections 2.1 (c) and (d) being hereinafter collectively referred to as the “assigned property”; and the mortgaged property and assigned property being hereinafter collectively referred to as the “**Charged Premises**”. Wherever used herein in relation to the rights and remedies of the Agent the terms “Real Property”, “mortgaged property”, “assigned property” and “Charged Premises” shall, where the context permits, mean the whole or any part or parts thereof.

TO HAVE AND TO HOLD the Charged Premises and all rights hereby conferred unto the Agent, in its capacity as agent for and on behalf of the Secured Parties, and its successors and assigns, for the uses and purposes and with the powers and authorities and subject to the terms and conditions set forth herein and in the Credit Agreement.

2.2 Excluded Collateral: Notwithstanding anything contained in this Debenture, the Security Interests contained herein in respect of the Charged Premises, other than the Charged Premises referred to in Section 2.1(a), shall not extend or attach to the right, title, interest or benefit of the Chargor in any of the Charged Premises, other than an account or chattel paper, which by law cannot be assigned or charged or which requires the consent of any third party to such assignment or charge (if such consent has not been given) or which, if assigned or charged, would give rise to a default, penalty or right of termination, other than an account or chattel paper to the extent any term therein that prohibits or restricts the grant of the security interests therein is unenforceable against the Agent under applicable law (collectively the “**Excluded Collateral**”). The Chargor agrees that, at the request of the Agent from time to time, it will, to the extent required under any Loan Document other than this Debenture, obtain such consents in respect of the Excluded Collateral and to the transfer or assignment of the Excluded Collateral to any third party who may acquire an interest in the Charged Premises as a result of the exercise by the Agent of its remedies hereunder. Upon such consent being obtained, the Security Interests contained herein shall apply to such Excluded Collateral without regard to this Section 2.2 and without the necessity of any further assurance to effect the Security Interests contained herein in respect thereto. Until such consent is obtained, the Chargor shall, to the extent that it may do so by law or under the terms of the Excluded Collateral and without giving rise to any default, penalty or right of termination, hold all right, title, benefit and interest to be derived therefrom in trust for the Agent as additional security, as if the Security Interests contained herein applied, and shall deliver up such right, title, benefit and interest to the Agent forthwith upon the occurrence and during the continuance of an Event of Default.

2.3 Covenants of the Chargor: So long as any of the Secured Obligations shall remain unpaid and any Lender has obligations to provide credit facilities pursuant to any Loan Document, the Chargor covenants and agrees with the Agent as follows:

- (a) Restrictions on Mortgaging/Transferring: The Chargor shall not create, incur, cause or permit any mortgage, charge, pledge, assignment, transfer, conveyance or security interest in respect of any Charged Premises, except as permitted under the Credit Agreement (including Permitted Liens).

ARTICLE 3
RIGHTS AND REMEDIES

3.1 Remedies Upon Default: Upon and after the occurrence of an Event of Default that is continuing, the Agent may do any one or more of the following:

- (a) by written notice to the Chargor, declare the Secured Obligations to be immediately due and payable without the necessity of presentment for payment, or notice of non-payment and of protest (all of which are hereby expressly waived by the Chargor);
- (b) proceed to exercise any and all rights under this Debenture, the other Loan Documents and any other document or instrument executed pursuant to this Debenture or any other rights otherwise available to it whether under this Debenture, the other Loan Documents or otherwise, including enforcement of this Debenture;
- (c) take any action or proceeding authorized or permitted by this Debenture, the other Loan Documents or by law or equity, and file or cause to be filed on its behalf such proofs of claim and other documents as may be necessary or desirable to have its claims lodged in any bankruptcy, winding up or other judicial proceeding relative to the Chargor;
- (d) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
- (e) immediately enter upon and take possession of, disable or remove all of the Charged Premises or any part or parts thereof with power, among other things, to exclude the Chargor, to preserve and maintain the Charged Premises and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all reasonable expenses of maintaining, completing, repairing, preserving and protecting and operating the Charged Premises and all charges, payment of which may be necessary to preserve or protect the Charged Premises, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including power to advance its own moneys at the highest rate then borne by any of the Secured Obligations and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;
- (f) whether or not the Agent has taken possession of the Charged Premises or any of it, sell, lease or otherwise dispose thereof, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by law, either for cash or upon credit, at such time and upon such terms and conditions as the Agent may determine (including a term that a reasonable commission shall be payable to the Agent or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the Agent

may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same;

- (g) require the Chargor, at the Chargor's expense, to assemble the Charged Premises at a place or places designated by notice in writing given by the Agent to the Chargor, and the Chargor agrees to so assemble the Charged Premises;
- (h) require the Chargor, by notice in writing given by the Agent to the Chargor; to disclose to the Agent the location or locations of the Charged Premises and the Chargor agrees to make such disclosure when so required by the Agent;
- (i) without legal process, enter any premises where the Charged Premises may be situated and take possession of the Charged Premises by any method permitted by law;
- (j) carry on all or any part of the business or businesses of the Chargor and, to the exclusion of all others including the Chargor, enter upon, occupy and, subject to any requirements of law and subject to any leases or agreements then in place, use all or any of the Real Property, premises, buildings, plant, undertaking, assets and other property comprising the. Charged Premises for such time and in such manner as the Agent sees fit, free of charge and, except to the extent required by law, the Agent shall not be liable to the Chargor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages or other amounts incurred in connection therewith or resulting therefrom;
- (k) borrow money for the purpose of carrying on the business of the Chargor relating exclusively to the Charged Premises or for the maintenance, preservation or protection of the Charged Premises and mortgage, charge, pledge or grant a security interest in the Charged Premises, whether or not in priority to the security interests created by this Debenture to secure repayment of any money so borrowed;
- (l) where the Agent has taken possession of the Charged Premises, retain the Charged Premises irrevocably, to the extent not prohibited by law, by giving notice thereof to the Chargor and to any other persons required by law in the manner provided by law;
- (m) send or employ inspectors or agents to inspect, audit and report upon the value, state and condition of the Charged Premises;
- (n) subject to Applicable Law, seize, collect, retain and administer the Charged Premises or any part or parts thereof in the Agent's discretion;
- (o) pay any encumbrance, lien, claim or charge that validly exists or has been threatened against any of the Charged Premises and any amounts determined to be validly existing shall, when so paid, together with any costs, charges and expenses incurred by the Agent (including legal fees and disbursements on a solicitor-client

basis), be added to the Secured Obligations hereby and shall bear interest at the rate provided for in the relevant Loan Document;

- (p) take proceedings in any court of competent jurisdiction to enforce payment by the Chargor of the Secured Obligations or any deficiency remaining upon application of proceeds of realization which are actually received by the Agent;
- (q) exercise or pursue any other remedy or proceeding authorized or permitted hereby or by the Act or any similar personal property security legislation or by any other legislation in any jurisdiction in which any of the Charged Premises is located or otherwise permitted by law or equity; and
- (r) with or without entry into possession of the Charged Premises, or any part thereof, appoint a receiver (which term shall include a receiver and manager) of the Charged Premises or any part thereof and of the rents and profits thereof pursuant to and in accordance with the provisions of the Loan Documents and this Debenture and with or without security for the performance of the receiver's obligations and from time to time remove any receiver and appoint another in its stead. Upon the appointment of any such receiver or receivers from time to time, subject to Applicable Law, the following provisions shall apply:
 - (i) every such receiver shall be the irrevocable agent of the Chargor for all purposes with respect to the Charged Premises including for the collection of all Revenues owing or earned in respect of the Real Property or any part thereof;
 - (ii) every such receiver may, in the discretion of the Agent, be vested with all or any of the powers and discretion of the Agent under this Debenture and the Loan Documents, including the power to carry on all or any part of the business of the Chargor relating exclusively to the Real Property and to sell, lease or otherwise dispose of the Charged Premises, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by Applicable Law, either for cash or on credit, at such time and upon such terms and conditions as the receiver may determine (including a term that a reasonable commission shall be payable to the receiver, or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the receiver may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same and such receiver shall also have the power to take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
 - (iii) the Agent may from time to time fix the remuneration of every such receiver and every such receiver shall be entitled to deduct the same out of

the income from the Charged Premises or the proceeds of disposition of the Charged Premises;

- (iv) the appointment of every such receiver by the Agent shall not, to the extent permitted by law, incur or create any liability on the part of the Agent to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Agent a mortgagee in possession in respect of the Real Property or any part thereof;
- (v) every such receiver shall, from time to time, have the power to lease or otherwise deal with any portion of the Real Property which may become vacant or available for lease on such terms and conditions as such receiver may deem advisable and shall have full power to complete any unfinished construction upon the Real Property (such power of the receiver to include the power to borrow funds in the name of and on the credit of the Chargor for such purposes, which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vi) every such receiver shall have full power to fully manage, develop, operate, lease, deal with agreements and Leases, construct, complete, repair, renovate or alter the Real Property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including entering into, amending and terminating such contracts and other agreements relating to the Charged Premises as are necessary or advisable, in the opinion of the receiver, and the entering into, renewal, amendment, supplement or termination of any agreements and Leases as the receiver may deem appropriate in its sole and absolute discretion; the aforementioned power shall include the power to borrow money in the name of and on the credit of the Chargor for all such purposes (which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vii) no such receiver shall be liable to the Chargor to account for monies other than monies actually received by or in respect of Charged Premises or any part thereof and out of such monies so received, every such receiver shall, subject to the further direction of the Agent, in the following order pay:
 - (A) his remuneration aforesaid;
 - (B) all payments made or incurred by him in connection with the management, operation, construction, completion, repair or alteration of the Charged Premises or any part thereof in accordance with the provisions thereof;

- (C) all payments of interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to this Debenture or the Loan Documents and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part thereof and in payment of all interest, fees and other similar amounts due or falling due hereunder and the balance to be applied upon the Secured Obligations in accordance with the terms of the Credit Agreement; and
- (D) at the discretion of the receiver, interest, principal and other monies which may from time to time constitute an encumbrance on the Charged Premises subsequent or subordinate to this Debenture or the Loan Documents; and every receiver may in its discretion retain reasonable reserves to pay accruing amounts and anticipated payments in connection with any of the foregoing; and any surplus remaining in the hands of every such receiver after payments made as aforesaid shall be accountable to the Chargor and upon termination of the receivership such receiver shall pay such surplus to the Chargor or pay it into court, as the receiver may elect;
- (viii) the Agent may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver; and
- (ix) the receiver may carry out all actions and do all things that the Agent may do under this Debenture and the Loan Documents as if it were the Agent (it being agreed that such powers are not in any way limited by the foregoing provisions of this Subsection 3.1(r)).

3.2 Sale of Charged Premises: The Chargor agrees that any sale referred to in Section 3.1 may be either a sale of all or any portion of the Charged Premises and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which the Chargor waives to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Agent in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell. The Agent may sell the Charged Premises for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for them. purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Chargor and all those claiming an interest in the Charged Premises by, from, through or under the Chargor.

3.3 References to the Agent Include Receiver: For the purposes of Sections 3.2, 3.4, 3.7, 3.8, 3.10, 3.11 and 3.14 a reference to the Agent shall, where the context permits, include any receiver or receiver and manager or other agent on behalf of the Agent.

3.4 Chargor's Rights: Subject to the terms of the Loan Documents, until the security hereby constituted shall become and remains enforceable, the Chargor shall be entitled to deal with the Charged Premises and enforce, use and enjoy all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon the security hereby constituted becoming and remaining enforceable, the Agent may, but shall not be obligated to, exercise all rights, powers, authority and discretions of the Chargor in respect of the Charged Premises in its place and stead.

3.5 Judgment: Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal hereby secured or interest thereon or other moneys owing hereunder nor shall such operate as a merger of any covenant or affect the right of the Agent to interest at the rate hereinbefore specified and any judgment shall bear interest at such rate.

3.6 Interest: If any amount payable to the Agent under this Debenture is not paid when due, the Chargor will pay to the Agent, immediately on demand, interest on such amount from the date due until paid, at an annual rate equal to the interest rate stipulated therefor in the relevant Loan Document. All amounts payable by the Chargor to the Agent under this Debenture, and all interest on all such amounts will form part of the Secured Obligations and will be secured by the security interests created by this Debenture.

3.7 Charge as Security:

- (a) It is expressly acknowledged and agreed that nothing herein contained shall obligate the Agent to assume or perform any obligation of the Chargor to any third party in respect of or arising out of any of the Charged Premises. The Agent may, however, at its option, assume or perform any such obligations as the Agent considers necessary or desirable to obtain the benefit of the Charged Premises free of any set-off, deduction or abatement and any money expended by the Agent in this regard shall form part of and shall be deemed to form part of the Secured Obligations and bear interest at the rate stipulated in Section 3.6.
- (b) The exercise by the Agent of its rights under this Debenture or the assumption of certain obligations of the Chargor as referred to in Subsection 3.7(1) above shall not constitute or have the effect of making the Agent a mortgagee in possession. Care, control and management of the Charged Premises shall remain and shall be deemed to be with the Chargor in the absence of clear and unequivocal action by the Agent depriving the Chargor of such care, control and management and the assumption thereof by the Agent.

3.8 Limitations on Agent's Liability: The Agent will not be liable to the Chargor or any other Person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver

or agent of the Agent is required to take, or will have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other Persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Chargor will bear the full risk of all, loss or damage to any and all of the Charged Premises (including any Charged Premises in the possession of the Agent or any receiver or agent) caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

3.9 Chargor Remains Liable under Accounts and Contracts: Notwithstanding any provision of this Debenture, the Chargor will remain liable under each of the agreements, contracts, Leases, material agreements, and other documents comprising the Charged Premises (each a “**Contract**”) to pay and satisfy all indebtedness, liabilities and other monetary obligations and to observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the Chargor thereunder, all in accordance with the terms of each such Contract. The Agent will have no obligation or liability under any account or monetary obligation (an “**Account**”) (or any Contract giving rise thereto) or Contract by reason of or arising out of this Debenture or the receipt by the Agent of any payment relating to such Account or Contract pursuant hereto, and in particular (but without limitation), the Agent will not be obligated in any manner to perform any of the obligations of the Chargor under or pursuant to any Account (or any Contract giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any Contract giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.10 Dealings by Agent: The Agent will not be obliged to exhaust its recourse against the Chargor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Charged Premises in such manner as the Agent may consider desirable. The Agent may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Chargor and any other Person, and with any or all of the Charged Premises, and with other security and sureties, as the Agent may see fit, all without prejudice to the Secured Obligations or to the rights and remedies of the Agent under this Debenture or the other Loan Documents. The powers conferred on the Agent under this Debenture are solely to protect the interests of the Agent in the Charged Premises and will not impose any duty upon the Agent to exercise any such powers.

3.11 Possession of Charged Premises: Where any Charged Premises is in the possession of the Agent or any receiver or agent:

- (a) the Agent shall only have the duty of care with respect to such Charged Premises as would a reasonable and prudent owner, including the duty to use reasonable care in the custody and preservation thereof, provided that the Agent need not take any steps of any nature to defend or preserve the rights of the Chargor therein against the claims or demands of others or to preserve rights therein against prior parties;

- (b) the Agent may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such Charged Premises upon any terms provided that such terms do not impair the Chargor's right to redeem such Charged Premises; and
- (c) the Agent may, at any time following the occurrence of an Event of Default which is continuing, use such Charged Premises in any manner and to such extent as it deems necessary or desirable.

3.12 After Acquired Property: The Chargor covenants and agrees that, if and to the extent that any of its respective rights, titles, estates and interests in any of the Charged Premises is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the Security Interests of the Agent hereby created shall attach to such Charged Premises at the same time as the Chargor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or assurance and thereafter such Charged Premises shall be subject to the Security Interests created hereby in accordance with the provisions of Section 2.1 hereof.

3.13 Attachment: The Chargor hereby acknowledges and agrees that value has been given for the granting of the Security Interests created hereby and that there is no agreement between the Chargor and the Agent, express or implied, to postpone the attachment of the Security Interests created hereby except in respect of after-acquired property forming part of the Charged Premises with respect to which the Security Interests created hereby shall attach at the same time as the Chargor acquires rights therein or thereto.

3.14 Indemnity: The Chargor agrees to indemnify the Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent and arising by reason of any action (including any action referred to in this Debenture) or inaction or omission to do any act legally required by the Chargor other than by reason of the gross negligence or wilful misconduct of the Agent. This indemnification will survive the satisfaction, release or extinguishment of the Secured Obligations and the security interests created by this Debenture.

3.15 General Assignment of Rents and Leases: As general and continuing security for payment and performance of the Secured Obligations, the Chargor hereby assigns, transfers, grants and sets over to the Agent, as and by way of a first fixed and specific assignment and security interest, (but subject to the limitations in Section 2.2) all legal and beneficial right, title and interest in and to (i) the rents and other monies now or hereafter due and payable in respect of the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for 'same in the name of the Chargor or the owner from time to time of the Real Property or in the name of the Agent, as the Agent may determine in its sole discretion, and (ii) the Leases with full benefit and advantage thereof including the benefit of all covenants and agreements contained in the Leases on the part of the tenants therein or any guarantor or indemnitor thereof to be observed, performed or kept, including all proceeds of or from any of the foregoing. This assignment and security interest is in addition to and not in substitution for any other general assignment of the rents and Leases and other security granted by the Chargor to the Agent to secure the Secured Obligations.

ARTICLE 4
GENERAL PROVISIONS

4.1 Remedies Cumulative and Waivers: For greater certainty, it is expressly understood and agreed that the rights and remedies of the Agent hereunder or under any other document or instrument executed pursuant to this Debenture are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Debenture or other document or instrument executed pursuant to this Debenture or the Loan Documents shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Agent may be lawfully entitled for such default or breach. Any waiver by the Agent of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained and any indulgence granted either expressly or by course of conduct by the Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Agent under this Debenture or other document or instrument executed pursuant to this Debenture as a result of any other default or breach hereunder or thereunder.

4.2 Termination: The Agent covenants and agrees with the Chargor that, if the Chargor pays, performs, satisfies and extinguishes all Secured Obligations and if no Secured Creditor has any further obligation to provide or continue to provide credit facilities to the Chargor pursuant to any Loan Document, this Debenture shall be and become fully ended and terminated and all right, title, interest and benefit of the Chargor in, to, under or in respect of the Charged Premises, assigned by it to, or held by it in trust for, the Agent hereunder shall automatically revert to the Chargor or its successors or assigns, and all covenants and agreements of the Chargor hereunder shall be at an end and the Agent, upon the request and at the expense of the Chargor, shall execute such instruments, discharges or re assignments and give such notification or assurances as the Chargor may properly require to fully release, discharge and cancel this Debenture in the circumstances.

4.3 Notice: Subject to the last sentence of this Section 4.3, any demand, notice, consent or other communication to be made or given hereunder shall be in writing and may be made or given by delivery or by transmittal by telecopy addressed to the respective parties as follows:

(a) to the Chargor, at:

c/o Bondfield Construction Company Limited
407 Basaltic Road
Concord, Ontario
L4K4W8

Attention: John Aquino
Facsimile No.: (416) 667-8462

to the Agent, at:

Bridging Finance Inc.
77 King Street West

Suite 2925, P.O. Box 322
Toronto, ON M5K 1K7

Attention: Natasha Sharpe, Chief Investment Officer
Facsimile No: 1-888-920-9599
E-mail: nsharp@bridgingfinance.ca

or to such other address or telecopy number as any party may from time to time notify to the other in accordance with this Section 4.3. Any demand, notice, consent or communication made or given by delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, or, if made or given by telecopy, on the first Business Day following the transmittal thereof.

4.4 Further Assurances: Each party shall, at its own expense, promptly execute and deliver to the other upon request all such other and further documents, agreements, opinions, certificates and other instruments in compliance with or accomplishment of their covenants and agreements hereunder or under any document to be delivered pursuant hereto or otherwise necessary to make any recording, file any notice or obtain any consent, all as may be reasonably necessary and appropriate in connection herewith.

4.5 Continuing Security: This Debenture and the rights and remedies it creates are a continuing agreement and security and shall bind the parties until discharge of this Debenture as provided in Section 4.2 hereof. No payment by the Chargor of the whole or any part of any Secured Obligations by this Debenture shall reduce the amount secured hereby unless specifically appropriated to and noted on this Debenture by the Agent.

4.6 No Marshalling: This Debenture shall be in addition to and not in substitution for any other security which the Agent may now or hereafter hold in respect of the Secured Obligations and the Agent shall be under no obligation to marshal in favour of the Chargor, any other Obligor or other lender or holder of security, any monies or other assets which the Agent may be entitled to receive or upon which the Agent may have a claim.

4.7 Agreement Paramount: This Debenture is issued subject to the terms of the Credit Agreement. In the event of any inconsistency or conflict between the terms of this Debenture and the Credit Agreement, the terms of the Credit Agreement shall govern. Notwithstanding the foregoing and for greater certainty, the remedies available to the Agent pursuant to this Debenture are in addition to and not in substitution for any remedies set out in the Credit Agreement or the Loan Documents.

4.8 Amendment of Agreement: No supplement, modification, amendment, waiver or termination of this Debenture shall be binding unless executed in writing by all parties hereto. No waiver of any provision of this Debenture shall be deemed or shall constitute a waiver of any

other provision of this Debenture (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise so expressed or provided.

4.9 Invalidity of Provisions: If any of the provisions in this Debenture should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

4.10 Time: Time shall be of the essence in this Debenture.

4.11 Successors and Assigns: This Debenture and all its provisions shall enure to the benefit of and shall be binding upon the Agent and the Chargor and their respective successors and permitted assigns.

4.12 Assignment by Agent: The rights of the Agent under this Debenture may be assigned by the Agent, in accordance with the terms of the Credit Agreement, without the prior consent of the Chargor. The Chargor may not assign its obligations under this Debenture.

4.13 Attorney: The Chargor hereby irrevocably nominates, constitutes and appoints the Agent and each of its officers holding office from time to time as the true and lawful attorney of the Chargor with full power of substitution in the name of the Chargor to do any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Agent reasonably considers necessary or desirable to carry out the provisions and purposes of this Debenture and to perform all acts of ownership in respect to the Charged Premises in accordance with this Debenture or to exercise any of its rights and remedies hereunder, such power being coupled with an interest, and the Chargor hereby ratifies and agrees to ratify all reasonable acts of any such attorney taken or done in accordance with this Section 4.13. Without in any way limiting the generality of the foregoing, the Agent shall have the right to execute for and in the name of the Chargor all financing statements, financing change statements, conveyances, transfers, assignments, consents and other instruments as may be required for such purposes. This power of attorney shall not be revoked or terminated by any act or thing other than the discharge of this Debenture in accordance with Section 4.2. The power of attorney granted in this section may only be exercised during the continuance of an Event of Default.

4.14 Acknowledgement by Chargor: The Chargor acknowledges receipt of a copy of this Debenture and hereby expressly waives the right to receive a copy of any financing statement or a copy of the statement confirming the registration of any financing statement that may be registered in connection with any security interest created under this Debenture.

4.15 Applicable Law: This Debenture shall be governed in all respects by the laws of the Province of Ontario and the laws of Canada applicable therein.

4.16 Attornment: The Chargor submits to the non-exclusive jurisdiction of any court in the Province of Ontario in any action or proceeding arising out of or relating to this Debenture, and the Chargor irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in any such court or in any other court of competent jurisdiction selected by the Agent.

4.17 Land Registration Reform Act: The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) are hereby, to the extent inconsistent with the provisions hereof, expressly excluded and replaced by the terms of this Debenture.

[SIGNATURE PAGE FOLLOWS]

- S1 -

IN WITNESS WHEREOF the parties have duly executed this Debenture as of the date first written above.

1033803 ONTARIO INC.

Per: _____

Name: John Aquino

Title: Vice-President

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

DEMAND DEBENTURE
1033803 ONTARIO INC.
(Bondfield Construction)

- 2 -

BRIDGING FINANCE INC.

Per: 
Name: NATASHA SIMPE
Title: CIO

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

Schedule "A"

None.

Schedule "B"

1. PIN 03272-0071 (LT)

Parcel 1-1, Section 65M3040 being Lot 1, Plan 65M3040, s/t LT1059554; s/t LT1055473; City of Vaughan, Regional Municipality of York

Municipally known as 407 Basaltic Road, Vaughan, Ontario

2. PIN 14209-1704 (LT)

Part Lot 6, Concession 7 ND (Toronto Gore), designated as Parts 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; s/t easement in gross over Parts 22, 23 and 24, 43R31898 as in PR1385008; s/t easement in gross over Parts 22 and 23, 43R31898 as in PR1385011; s/t easement in gross over Parts 2 to 5, 43R34750 as in PR2261758; s/t easement in gross over Parts 3, 5, 11, 43R34750 as in PR2264436; City of Brampton, Regional Municipality of Peel

Municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario)

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

yyyy mm dd Page 1 of 10

Properties

PIN 03272 - 0071 LT
 Description PCL 1-1 SEC 65M3040; LT 1 PL 65M3040; S/T LT1059554 ; S/T LT1055473 VAUGHAN
 Address 407 BASALTIC ROAD
 VAUGHAN

Applicant(s)

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

Name 1033803 ONTARIO INC.
 Address for Service c/o 407 Basaltic Road
 Concord, ON L4K 4W8
 Attention: Ralph Aquino

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

Party To(s)*Capacity**Share*

Name BRIDGING FINANCE INC.
 Address for Service 77 King Street West
 Suite 2925, P.O. Box 322
 Toronto, ON M5K 1K7

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, YR2706717 registered on 2017/07/25 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Applicant(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
 Box 50 Party To(s)
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP 1 First Canadian Place, 61st Floor, 2017 07 25
 Box 50
 Toronto
 M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.35
 Total Paid \$63.35

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

File Number

Applicant Client File Number : 1114463

THIS AGREEMENT made as of this 24th day of July, 2017.

B E T W E E N:

1033803 ONTARIO INC.

(hereinafter referred to as the “COMPANY”)

-and-

BRIDGING FINANCE INC.

(hereinafter referred to as the “LENDER”)

WHEREAS:

- A. The Company is the registered owner of the lands and premises which are more particularly described in the attached Schedule “A” (the “**Premises**”) and which are subject inter alia, to a debenture or mortgage in favour of the Lender securing a principal amount of \$90,000,000.00, registered on the same date as this Assignment in the applicable Land Registry Office for the Premises (as amended from time to time herein called the “**Mortgage**”).
- B. The Company agreed to assign the rents reserved and payable under any current leases for which notice has been registered in the land titles office with respect to the premises located in the buildings now or hereafter situated on the Premises (herein called the “**Current Lease**”), together with all leases with respect to the premises located in the buildings now or hereafter situated on the Premises in effect from time to time (the “**General Leases**”) and together with all future leases (herein called the “**Future Leases**”) with respect to the premises located in the buildings now or hereafter situated on the Premises to the Lender as collateral security for the payment of the obligations secured by the Mortgage (the Current Lease, General Leases, and Future Leases herein collectively called the “**Leases**”).

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the Lender to the Company, (the receipt and sufficiency whereof is hereby acknowledged by the Company) the Company and Lender hereby agree as follows:

1. **ASSIGNMENT**

Subject to any prior assignments, the Company hereby transfers, assigns and sets over unto the Lender all of its respective right, title and interest in the following (herein called the “Assignment”):

(a) the Leases;

(b) all rents and monies payable under the Leases or any extensions or renewals thereof and all monies payable pursuant to any repudiation, disclaimer, termination or surrender thereof, whether by mutual agreement or as permitted by a Court of competent jurisdiction pursuant to any applicable legislation (the “Rents”); and

(c) the benefit of all covenants, stipulations and provisions contained in the Leases;

to hold and receive the same unto the Lender as continuing collateral security for the obligations secured by the Mortgage.

2. **COLLECTION**

Nothing herein contained shall be deemed to have the effect of making the Lender responsible for the collection of the Rents or any part thereof or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained in the Leases and the Lender shall not by virtue of these presents be deemed a mortgagee in possession of the Premises or any of them and this Assignment shall not of itself create the relationship of landlord and tenant between the Lender and any lessee.

3. **ACCOUNTING**

The Lender shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents and such monies when received by the Lender shall be applied on account of the monies from time to time secured by the Mortgage and any renewal thereof or amendment thereto or under any agreement collateral thereto.

4. **NON-WAIVER**

(a) The parties agree that none of the rights or remedies of the Lender as mortgagee under the Mortgage shall be delayed or in any way prejudiced by this Assignment or by any act of the Lender pursuant to this Assignment.

(b) The parties agree that notwithstanding any variation of the terms of this Assignment, the Mortgage or any agreement or arrangement with the Company or any extension of time for payment or any release of part or parts of the Premises, or of any collateral or additional security which may be given to the Lender, the Leases, Rents and other benefits hereby assigned shall continue as security until the whole of the monies payable pursuant to the Mortgage shall be fully paid and satisfied.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

(c) The Lender may waive any default or breach of covenant herein and shall not be bound to serve any notice upon the lessees upon the happening of any default or breach of covenant but any such waiver shall not extend to any subsequent default or breach of covenant.

5. **FURTHER ASSURANCES**

The Company and Lender covenant and agree each with the other from time to time and at all times hereafter at the request of the other to execute and deliver without expense any documentation required to give full and further effect to this Assignment, and to provide any other parties thereto a notice of the Assignment and to use reasonable efforts to obtain from them acknowledgements of such notice, both in form and content acceptable to the Lender, acting reasonably.

6. **NOTICE**

Until demand under the Mortgage, and until the Lender serves notice thereof to the Company (the "Notice"), the Company shall be entitled to receive the Rents and shall not be liable to account therefor to the Lender; provided, however, after such Notice the Lender shall be entitled to collect all Rents falling due subsequent to the date of service of the Notice, and to enforce all remedies of the lessor by virtue this Assignment.

7. **PERFORMANCE BY COMPANY AS LESSOR**

The Company hereby covenants with the Lender that notwithstanding any act of the Company, the Leases, if any, are, in all material respects, good, valid and subsisting and that the covenants and obligations therein have been duly observed and performed by the Company up to the date hereof in all material respects and, the Company now has good right, full power and absolute authority to make this Assignment.

8. **REPRESENTATIONS BY COMPANY WITH RESPECT TO EXISTING LEASES**

The Company hereby represents and warrants that none of the lessees are in material default under any of the terms, covenants or conditions of the Leases, and that as of the date hereof none of the lessees has any defence, set-off or counterclaim of a material nature respecting the relevant Leases against the Company, and that no Rents have been prepaid more than 2 months in advance of the accrual thereof.

9. **MANAGEMENT OF LEASES PRIOR TO NOTICE**

The Company covenants to observe and perform all of the lessor's covenants and obligations contained in the Leases, and to maintain, manage and lease the Premises in accordance with sound business practices.

10. **DEALINGS WITH LEASES**

(a) Except in accordance with prudent business practice, the Company shall not without the prior written consent of the Lender accept prepayments, surrender, or terminate or materially amend any of the Leases, or give any consent, concession or waiver or exercise any option of the Company permitted by such terms, or effect a merger, elimination or material diminution of the obligations of the lessees thereunder. The Company upon request of the Lender shall execute and deliver all such further assurances and provide copies and/or details as the Lender from time to time shall reasonably require in order to cause prompt action, including legal proceedings for enforcement of this Assignment and all other remedies available to the Lender hereunder to be commenced against any delinquent party as soon as reasonably necessary to protect the interest of the lessor.

(b) Notwithstanding anything else herein contained, in the event that any tenant is permitted by a court of competent jurisdiction to repudiate, disclaim, terminate, surrender or otherwise materially amend any lease pursuant to the Bankruptcy and Insolvency Act, as amended from time to time, or any similar legislation, then any payment to the Company, as landlord shall be received by the Company in trust for the Lender, and the Company shall forthwith remit such payment to the Lender to be held by the Lender as cash collateral security or to be applied against the indebtedness of the Company to the Lender, or any part of such indebtedness, all as the Lender shall see fit.

11. **ENFORCEMENT OF LENDER REMEDIES**

(a) Upon delivery of the Notice, the Lender shall be entitled to exercise from time to time, all of its rights and remedies in law or in equity, in addition to any remedies set out herein, including without limitation, foreclosure, power of sale, appointment of a receiver, distress, attornment of rents, taking possession of the Premises, and suit upon the covenant. In the event the Lender does not invoke any specific remedy at any specific time, the Lender shall not be deemed to have waived such remedy.

(b) All remedies shall be cumulative and concurrent and not alternative and may be pursued separately, successively or concurrently against the Company, against the Premises, or any or all of them as often as occasion therefor shall arise.

(c) The Lender shall have the power to apply all monies received pursuant to this Assignment in such order as the Lender may reasonably determine, towards payment of the obligations secured by the Mortgage and payment of any and all sums, monies, costs, charges and expenses incurred by the Lender in exercise of any of its rights and remedies herein including taxes, insurance, usual and customary commissions to a real estate broker for leasing real estate and collecting rents, if any, and the reasonable expenses and fees of all solicitors (on a solicitor and client basis), agents and servants which expenses may be reasonably necessary to exercise the powers granted to the Lender hereunder.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

(d) The exercise of any remedies herein by the Lender shall not render the Lender liable to any lessee for the return of any security deposit, or for any act or breach committed by the Company.

(e) The Lender shall be entitled to give notice to the lessee from time to time of this Assignment, and the effecting of such remedies as the Lender determines from time to time, provided however, any notice delivered prior to the Notice shall merely indicate existence of the Assignment, and shall direct and permit the recipient of such Notice to continue to pay Rents and other amounts payable under the relevant lease to the Company, subject to such limitations with respect to prepaid amounts as are contained herein.

(f) The Company hereby appoints the Lender to be the true and lawful attorney of the Company after receipt of the Notice for and in the name of the Company to demand, recover and enforce payment of Rents and to enforce observance of covenants by lessees pursuant to the Leases, and to institute such actions at law or in equity, or take such proceedings by distress or otherwise as the Lender shall from time to time determine. This power of attorney shall be a power coupled with an interest and shall be irrevocable by the Company.

12. **RE-ASSIGNMENT**

(a) Upon repayment of the Mortgage, the Company shall be entitled at the Company's expense to a release and/or re-assignment of the Assignment in registerable form, and discharge of any financing statements relating thereto.

(b) The Lender shall be entitled to deliver a re-assignment of this Assignment to the Company from time to time in its sole discretion.

13. **SUCCESSORS AND ASSIGNS**

This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

14. **AFTER ACQUIRED PROPERTY**

This Assignment shall apply and the security interest hereby created shall attach to any Future Leases entered into by the Company respecting the Premises without the necessity of any further assignment or other assurances.

15. **SEVERABILITY**

In case any of the provisions of this Assignment shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Assignment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

16. **GOVERNINGLAW**

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

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

IN WITNESS WHEREOF, each of the undersigned has affixed its corporate seal under the hands of its duly authorized signing officer as of the date first written above.

1033803 ONTARIO LIMITED

By: _____

Name: John Aquino
Title: Vice-President

By: _____

Name:
Title:

I/We have authority to bind the Corporation.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

SCHEDULE "A"**Legal Description****1. PIN 03272-0071 (LT)**

Parcel 1-1, Section 65M3040 being Lot 1, Plan 65M3040, s/t LT1059554; s/t LT1055473; City of Vaughan, Regional Municipality of York

Municipally known as 407 Basaltic Road, Vaughan, Ontario

2. PIN 14209-1704 (LT)

Part Lot 6, Concession 7 ND (Toronto Gore), designated as Parts 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; s/t easement in gross over Parts 22, 23 and 24, 43R31898 as in PR1385008; s/t easement in gross over Parts 22 and 23, 43R31898 as in PR1385011; s/t easement in gross over Parts 2 to 5, 43R34750 as in PR2261758; s/t easement in gross over Parts 3, 5, 11, 43R34750 as in PR2264436; City of Brampton, Regional Municipality of Peel

Municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario)

I

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

yyyy mm dd Page 1 of 25

Properties

PIN 14209 - 1704 LT *Interest/Estate* Fee Simple

Description PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Address 3420 QUEEN STREET EAST
BRAMPTON

Chargor(s)

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

Name 1033803 ONTARIO INC.

Address for Service c/o 407 Basaltic Road
Concord, ON L4K 4W8
Attention: Ralph Aquino

I, John Aquino, Vice President, have the authority to bind the corporation.

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

Chargee(s)*Capacity**Share*

Name BRIDGING FINANCE INC.

Address for Service 77 King Street West
Suite 2925, P.O. Box 322
Toronto, ON M5K 1K7

Statements

Schedule: See Schedules

Provisions

Principal \$90,000,000.00 *Currency* CDN

Calculation Period

Balance Due Date On Demand

Interest Rate See schedule attached

Payments

Interest Adjustment Date

Payment Date See schedule attached

First Payment Date

Last Payment Date

Standard Charge Terms N/A

Insurance Amount full insurable value

Guarantor

Additional Provisions

See debenture attached for additional charge provisions.

Signed By

Susanne Herceg 1 First Canadian Place, 61st Floor, acting for Signed 2017 07 24
Box 50 Chargor(s)
Toronto
M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

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

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

Submitted By

OSLER HOSKIN & HARCOURT LLP

1 First Canadian Place, 61st Floor,
Box 50
Toronto
M5X 1B8

2017 07 25

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.35

Total Paid \$63.35

File Number

Chargor Client File Number : 1114463

DEMAND DEBENTURE

PRINCIPAL SUM: \$90,000,000

DATE: as of July 24, 2017

ARTICLE 1 PROMISE TO PAY

1.1 Promise to Pay: 1033803 ONTARIO INC. (hereinafter referred to as the “**Chargor**”), for value received, hereby acknowledges itself indebted and covenants and promises to: (i) pay to or to the order of **BRIDGING FINANCE INC.**, in its capacity as agent for and on behalf of the Secured Parties (as defined below) (including its successors and assigns, the “**Agent**”), at the address set forth in Section 4.3 or at such other place as the Agent may designate by notice in writing to the Chargor, ON DEMAND, the aggregate principal amount of **NINETY MILLION DOLLARS** (\$90,000,000) or such lesser principal amount as is from time to time owing in respect of the Secured Obligations (as defined below), together with interest thereon, from and including the date hereof (or from and including the last interest payment date to which interest shall have been paid) to and including the date of payment, at a rate of twenty-five per cent (25%) per annum, calculated and compounded monthly on the first day of each month, as well after as before demand and as well after as before default or judgment with interest on overdue interest at the same rate; and (ii) to perform the Secured Obligations (as defined below).

This Debenture secures payment to the Secured Parties of all of the Secured Obligations.

To the extent that the Secured Obligations consist, in part, of revolving facilities which permit the Chargor to borrow certain principal amounts, repay all or a portion of such principal amounts, and re-borrow the amounts previously repaid, this Debentures secures all Secured Obligations that are advanced and re-advanced.

Notwithstanding any other provision of this Debenture, if the security constituted by this Debenture becomes enforceable, the Chargor will not be liable to pay under this Debenture any greater amount than the aggregate of the Secured Obligations.

1.2 Interpretation: In this Debenture, unless there is something in the subject matter or context that is inconsistent therewith, all capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed thereto in the Credit Agreement. In this Debenture words importing the singular number only include the plural and vice versa, words importing any gender include all genders. Unless otherwise specifically provided, reference in this Debenture to any contract, agreement or any other instrument shall be deemed to include references to the same as varied, amended, supplemented, restated or replaced from time to time, and reference in this Debenture to any enactment including any statute, law, by-law, regulation, ordinance or order, shall be deemed to include references to such enactment as re-enacted, amended, extended or replaced from time to time. The terms “including” and “includes” mean “including without limitation” and “includes without limitation”, respectively. In addition, the following terms shall have the following meanings:

“**Account**” has the meaning set out in Section 3.9 hereof.

“**Act**” has the meaning set out in Section 2.1 (b) hereof.

“**Contract**” has the meaning set out in Section 3.9 hereof.

“**Credit Agreement**” means the credit agreement made as of July 24, 2017 among Bondfield Construction Company Limited (the “**Borrower**”), as borrower, the Persons who are, and from time to time become, parties thereto as guarantors, the Agent and the Lenders.

“**Easements**” means all present and future easements, rights of way, licences and privileges appurtenant or appertaining to the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Event of Default**” means (i) an “Event of Default” as defined in the Credit Agreement, (ii) a “default” or “event of default” as defined in any other Secured Agreement, or (iii) any other event or circumstance which (x) entitles the Agent or the other Secured Parties to cause, or has the effect of causing, any obligations under any Secured Agreement to become due at or prior to any stated maturity or the termination of any Secured Agreement or, in the case of obligations payable on demand, which causes such obligations to become immediately due and payable, or (y) results in any Encumbrance contained in any security securing payment or performance of Secured Obligations becoming enforceable either with or without the giving of further notice.

“**Excluded Collateral**” has the meaning set out in Section 2.2 hereof.

“**Landlord Leases**” means all present and future leases, subleases, offers to lease or sublease, letter agreements, occupying or tenancy agreements, lease or sublease proposals and lease or sublease amending agreements relating to all or part of the Real Property made by the Chargor as landlord or lessor.

“**Leases**” means all present and future leases, subleases, licences and other occupancy or use agreements, affecting the Secured Property and all guarantees, amendments, renewals, supplements, restatements or other modifications thereof, including, but not limited to, as described in Schedule “A” attached hereto.

“**Lenders**” means BRIDGING FINANCE INC. and other lenders from time to time that are a party to the Credit Agreement and their respective successors and assigns.

“**Person**” or “**person**” means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any governmental department or agency or any other entity whatsoever and the heirs, executors, administrators or other legal representatives of an individual.

“**Real Property**” has the meaning set out in Section 2.1(a) hereof.

“**Revenues**” has the meaning set out in Section 2.1(b)(vi) hereof.

“**Secured Agreements**” means the Credit Agreement, the other Loan Documents and all other instruments or agreements under which arise any Secured Obligations, and includes all amendments, supplements, restatements and replacements thereto and thereof from time to time. Any reference herein to the “Secured Agreements” means and includes any one or more of them.

“**Secured Obligations**” means all indebtedness, liabilities and obligations of the Chargor to the Secured Parties, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing or remaining unpaid by the Chargor to the Secured Parties in any currency, and wherever incurred, and whether incurred by the Chargor alone or with another or others and whether as principal or surety, under or in connection with the Credit Agreement and the other Loan Documents (including any guarantees of the obligations of the Borrower) and all cash consolidation, cash management, foreign exchange, credit card, electronic funds management and other arrangements and facilities (including account consolidation, mirror netting services and other money management services agreements) established by the Secured Parties for the Chargor from time to time, and all interest, fees, legal and other costs, charges and expenses relating thereto or under or in connection with this Agreement. In this definition, “Secured Parties” shall be interpreted as “Secured Parties, or any of them”.

“**Secured Parties**” means all Persons from time to time defined as a “Lender”, “Agent”,

“**Administrative Agent**” or “Other Secured Party” in the Credit Agreement, in their various capacities as creditors under the Secured Agreements.

“**Secured Property**” means the lands and premises described in Schedule “B” attached hereto, together with all rights and privileges appertaining thereto and all buildings, improvements and structures now or hereafter constructed or placed therein, thereunder or thereon.

“**Security Interests**” has the meaning set out in Section 2.1 hereof.

ARTICLE 2

SECURITY

2.1 **Security:** As security for the due and timely payment and performance of all Secured Obligations the Chargor:

- (a) grants, mortgages and charges (and provided that where the interest of the Chargor in any Secured Property is by way of leasehold, such mortgage and charge is by way of sublease) as and by way of a first fixed specific mortgage and charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to: (i) the Secured Property; (ii) the Leases; (iii) the Easements; (iv) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed in, under or upon the Secured Property or the Easement lands; and (v) all interests in any of the foregoing and all benefits and rights to be derived by the Chargor in respect thereof (collectively, the “**Real Property**”);

(b) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, of all of its right, title, estate and interest, present and future, in and to any and all personal property in which a security interest can be taken, reserved, created or granted whether under the *Personal Property Security Act* (Ontario) (the “Act”), any similar personal property security legislation in any jurisdiction in which any of the charged premises is located or otherwise under any statute or law or in equity and which is now or at any time hereafter owned by the Chargor or in which the Chargor now has or at any time hereafter acquires any interest of any nature whatsoever, including, without in any way limiting the generality of the foregoing, the interest of the Chargor in:

- (i) all present and future rights, agreements, licenses, permits, consents, policies, approvals, development agreements, building contracts, performance bonds, purchase orders, plans, patents, trademarks, trade names, copyrights and other industrial and intellectual property, in connection with the Real Property;
- (ii) all present and future rents, revenues, income, insurance proceeds, expropriation proceeds, other proceeds and other monies to which the Chargor may from time to time be entitled from all sources which pertain to or are derived from the Real Property, or any part thereof including, all income and proceeds (whether in cash or on credit) received or receivable by or on behalf of the Chargor in respect of the use, occupancy or enjoyment of any such property or any part thereof or for the sale of goods or the provision of services on, at or from any such property or from judgments, settlements or other resolutions of disputes relating to the ownership, use, construction, development, operation, maintenance or management of any such property (collectively, “Revenues”); and
- (iii) the benefit of any guarantees, warranties or indemnities relating to all or part of the property referred to in paragraphs 2.1(b)(i) or (ii) inclusive;

and with respect to paragraphs 2.1 (b)(i) to (iii) inclusive, in, to and under all amendments, extensions, renewals, replacements and substitutions of any of the foregoing, all increases, additions and accessions thereto and all rights, remedies, powers, easements, privileges and claims of the Chargor thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) including, without limitation, the right of the Chargor to enforce the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

(c) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a fixed and specific assignment, all of its right, title, estate and interest, present and future, in and to:

- (i) any agreements relating to the Real Property (including those relating to construction or development on, or operation of, the Real Property) or the business, undertaking and operations of the Chargor; and
 - (ii) all amendments, extensions, renewals, replacements and substitutions of any of the property referred to in paragraph 2.1(c)(i) and all benefits, rights, remedies, privileges, claims, powers and advantages of the Chargor to be derived therefrom or thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) and all covenants, obligations and agreements of the other parties thereto including the right of the Chargor to enforce any of the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;
- (d) assigns, transfers and sets over unto and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, as and by way of a general assignment, all of its right, title, estate and interest present and future, in and to:
- (i) the Landlord Leases and all benefits, powers and advantages of the Chargor to be derived therefrom and all covenants, obligations and agreements of the tenants thereunder or in any agreement collateral thereto including, without limitation, the benefit of any right, option or obligation of any tenant or other person to acquire any of the Real Property or an interest therein, to renew or extend the Landlord Leases or any one of them, to lease other space and any other collateral advantage or benefit to be derived from the Landlord Leases or any of them;
 - (ii) all rents and other moneys now due and payable or hereafter to become due and payable under the Landlord Leases and each guarantee of or indemnity in respect of the obligations of the tenants thereunder with full power to demand, sue for recovery, receive and give receipts for all such rents and other moneys and otherwise to enforce the rights of the Chargor thereto in the name of the Chargor;
 - (iii) all present and future intangibles arising from or out of the Real Property or any part or parts thereof and the property and assets referred to in subsections 2.1 (b) and (c) above including, without limiting the generality of the foregoing, all of its rights, title and interest in all present and future book debts, accounts and other accounts receivable, contract rights and choses in action;
 - (iv) any and all existing or future agreements, contracts, licences, permits, plans and specifications, bonds, letters of credit, letters of guarantee or other documents or instruments relating to the Real Property or any part or parts thereof and all extensions, amendments, renewals or substitutions thereof or therefor which may hereafter be effected or entered into and all benefit, power and advantage of the Chargor to be derived therefrom;

- (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments relating to the Real Property or any part or parts thereof and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder and all benefit, power and advantage of the Chargor to be derived therefrom; and
- (vi) the proceeds of any and all existing or future insurance policies pertaining to the Real Property or the property and assets referred to in subsections 2.1(b) and (c) and paragraphs 2.1(d)(i) to (v) inclusive and all proceeds of expropriation or similar taking of the Real Property or any part or parts thereof and all benefit, power and advantage of the Chargor to be derived therefrom provided that all such proceeds shall be held and applied in accordance with the Credit Agreement;
- (e) grants, conveys, mortgages, charges, pledges, assigns and creates a security interest in, as and by way of a fixed and specific mortgage, charge, pledge, assignment and security interest to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of its right, title, estate and interest, present and future, in and to all property in any form (including money) derived, directly or indirectly, from any dealing with the property referred to in subsections 2.1(a) to (d) inclusive, or proceeds therefrom or that indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed and damaged; and
- (f) grants, conveys, mortgages, charges, pledges and assigns as and by way of a floating charge to and in favour of the Agent, for and on behalf of and for the benefit of itself and the Lenders, all of the undertaking, property, assets, rights, entitlements, benefits and privileges, both real and personal, moveable and immovable, of every nature and kind, now or at any time and from time to time hereafter existing and owned by the Chargor (except such property and assets as are validly and effectively subject to any fixed and specific mortgage and charge or assignment, transfer or security interest created hereby);

provided that the said grants, conveyances, mortgages, charges, pledges, transfers, assignments and security interests created pursuant to this Section 2.1 (the “**Security Interests**”) shall not: (i) extend or apply to any personal property which is “consumer goods”, as such term is defined in the Act; or (ii) extend to the last day of the term of any lease or any agreement therefor now held or hereafter acquired by the Chargor, but should such Security Interests become enforceable the Chargor shall thereafter stand possessed of such last day and shall hold it in trust for the Agent for the purpose of this Debenture and assign and dispose thereof as the Agent shall, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Agent, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person or persons as new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Chargor and to vest the same accordingly in the new trustee or trustees so appointed free and discharged from any obligation respecting the same.

All the undertaking, property and assets mortgaged and charged pursuant to Subsection 2.1(a) and all of the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Subsections 2.1 (b), (e) and (f) hereof being hereinafter collectively referred to as the “mortgaged property”; all the undertaking, property and assets assigned, transferred and set over pursuant to Subsections 2.1 (c) and (d) being hereinafter collectively referred to as the “assigned property”; and the mortgaged property and assigned property being hereinafter collectively referred to as the “**Charged Premises**”. Wherever used herein in relation to the rights and remedies of the Agent the terms “Real Property”, “mortgaged property”, “assigned property” and “Charged Premises” shall, where the context permits, mean the whole or any part or parts thereof.

TO HAVE AND TO HOLD the Charged Premises and all rights hereby conferred unto the Agent, in its capacity as agent for and on behalf of the Secured Parties, and its successors and assigns, for the uses and purposes and with the powers and authorities and subject to the terms and conditions set forth herein and in the Credit Agreement.

2.2 Excluded Collateral: Notwithstanding anything contained in this Debenture, the Security Interests contained herein in respect of the Charged Premises, other than the Charged Premises referred to in Section 2.1(a), shall not extend or attach to the right, title, interest or benefit of the Chargor in any of the Charged Premises, other than an account or chattel paper, which by law cannot be assigned or charged or which requires the consent of any third party to such assignment or charge (if such consent has not been given) or which, if assigned or charged, would give rise to a default, penalty or right of termination, other than an account or chattel paper to the extent any term therein that prohibits or restricts the grant of the security interests therein is unenforceable against the Agent under applicable law (collectively the “**Excluded Collateral**”). The Chargor agrees that, at the request of the Agent from time to time, it will, to the extent required under any Loan Document other than this Debenture, obtain such consents in respect of the Excluded Collateral and to the transfer or assignment of the Excluded Collateral to any third party who may acquire an interest in the Charged Premises as a result of the exercise by the Agent of its remedies hereunder. Upon such consent being obtained, the Security Interests contained herein shall apply to such Excluded Collateral without regard to this Section 2.2 and without the necessity of any further assurance to effect the Security Interests contained herein in respect thereto. Until such consent is obtained, the Chargor shall, to the extent that it may do so by law or under the terms of the Excluded Collateral and without giving rise to any default, penalty or right of termination, hold all right, title, benefit and interest to be derived therefrom in trust for the Agent as additional security, as if the Security Interests contained herein applied, and shall deliver up such right, title, benefit and interest to the Agent forthwith upon the occurrence and during the continuance of an Event of Default.

2.3 Covenants of the Chargor: So long as any of the Secured Obligations shall remain unpaid and any Lender has obligations to provide credit facilities pursuant to any Loan Document, the Chargor covenants and agrees with the Agent as follows:

- (a) Restrictions on Mortgaging/Transferring: The Chargor shall not create, incur, cause or permit any mortgage, charge, pledge, assignment, transfer, conveyance or security interest in respect of any Charged Premises, except as permitted under the Credit Agreement (including Permitted Liens).

ARTICLE 3
RIGHTS AND REMEDIES

3.1 Remedies Upon Default: Upon and after the occurrence of an Event of Default that is continuing, the Agent may do any one or more of the following:

- (a) by written notice to the Chargor, declare the Secured Obligations to be immediately due and payable without the necessity of presentment for payment, or notice of non-payment and of protest (all of which are hereby expressly waived by the Chargor);
- (b) proceed to exercise any and all rights under this Debenture, the other Loan Documents and any other document or instrument executed pursuant to this Debenture or any other rights otherwise available to it whether under this Debenture, the other Loan Documents or otherwise, including enforcement of this Debenture;
- (c) take any action or proceeding authorized or permitted by this Debenture, the other Loan Documents or by law or equity, and file or cause to be filed on its behalf such proofs of claim and other documents as may be necessary or desirable to have its claims lodged in any bankruptcy, winding up or other judicial proceeding relative to the Chargor;
- (d) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
- (e) immediately enter upon and take possession of, disable or remove all of the Charged Premises or any part or parts thereof with power, among other things, to exclude the Chargor, to preserve and maintain the Charged Premises and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all reasonable expenses of maintaining, completing, repairing, preserving and protecting and operating the Charged Premises and all charges, payment of which may be necessary to preserve or protect the Charged Premises, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including power to advance its own moneys at the highest rate then borne by any of the Secured Obligations and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;
- (f) whether or not the Agent has taken possession of the Charged Premises or any of it, sell, lease or otherwise dispose thereof, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by law, either for cash or upon credit, at such time and upon such terms and conditions as the Agent may determine (including a term that a reasonable commission shall be payable to the Agent or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the Agent

may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same;

- (g) require the Chargor, at the Chargor's expense, to assemble the Charged Premises at a place or places designated by notice in writing given by the Agent to the Chargor, and the Chargor agrees to so assemble the Charged Premises;
- (h) require the Chargor, by notice in writing given by the Agent to the Chargor; to disclose to the Agent the location or locations of the Charged Premises and the Chargor agrees to make such disclosure when so required by the Agent;
- (i) without legal process, enter any premises where the Charged Premises may be situated and take possession of the Charged Premises by any method permitted by law;
- (j) carry on all or any part of the business or businesses of the Chargor and, to the exclusion of all others including the Chargor, enter upon, occupy and, subject to any requirements of law and subject to any leases or agreements then in place, use all or any of the Real Property, premises, buildings, plant, undertaking, assets and other property comprising the. Charged Premises for such time and in such manner as the Agent sees fit, free of charge and, except to the extent required by law, the Agent shall not be liable to the Chargor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages or other amounts incurred in connection therewith or resulting therefrom;
- (k) borrow money for the purpose of carrying on the business of the Chargor relating exclusively to the Charged Premises or for the maintenance, preservation or protection of the Charged Premises and mortgage, charge, pledge or grant a security interest in the Charged Premises, whether or not in priority to the security interests created by this Debenture to secure repayment of any money so borrowed;
- (l) where the Agent has taken possession of the Charged Premises, retain the Charged Premises irrevocably, to the extent not prohibited by law, by giving notice thereof to the Chargor and to any other persons required by law in the manner provided by law;
- (m) send or employ inspectors or agents to inspect, audit and report upon the value, state and condition of the Charged Premises;
- (n) subject to Applicable Law, seize, collect, retain and administer the Charged Premises or any part or parts thereof in the Agent's discretion;
- (o) pay any encumbrance, lien, claim or charge that validly exists or has been threatened against any of the Charged Premises and any amounts determined to be validly existing shall, when so paid, together with any costs, charges and expenses incurred by the Agent (including legal fees and disbursements on a solicitor-client

basis), be added to the Secured Obligations hereby and shall bear interest at the rate provided for in the relevant Loan Document;

- (p) take proceedings in any court of competent jurisdiction to enforce payment by the Chargor of the Secured Obligations or any deficiency remaining upon application of proceeds of realization which are actually received by the Agent;
- (q) exercise or pursue any other remedy or proceeding authorized or permitted hereby or by the Act or any similar personal property security legislation or by any other legislation in any jurisdiction in which any of the Charged Premises is located or otherwise permitted by law or equity; and
- (r) with or without entry into possession of the Charged Premises, or any part thereof, appoint a receiver (which term shall include a receiver and manager) of the Charged Premises or any part thereof and of the rents and profits thereof pursuant to and in accordance with the provisions of the Loan Documents and this Debenture and with or without security for the performance of the receiver's obligations and from time to time remove any receiver and appoint another in its stead. Upon the appointment of any such receiver or receivers from time to time, subject to Applicable Law, the following provisions shall apply:
 - (i) every such receiver shall be the irrevocable agent of the Chargor for all purposes with respect to the Charged Premises including for the collection of all Revenues owing or earned in respect of the Real Property or any part thereof;
 - (ii) every such receiver may, in the discretion of the Agent, be vested with all or any of the powers and discretion of the Agent under this Debenture and the Loan Documents, including the power to carry on all or any part of the business of the Chargor relating exclusively to the Real Property and to sell, lease or otherwise dispose of the Charged Premises, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by Applicable Law, either for cash or on credit, at such time and upon such terms and conditions as the receiver may determine (including a term that a reasonable commission shall be payable to the receiver, or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the Charged Premises and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the receiver may execute and deliver to any purchaser of the Charged Premises or any part thereof good and sufficient deeds and documents for the same and such receiver shall also have the power to take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;
 - (iii) the Agent may from time to time fix the remuneration of every such receiver and every such receiver shall be entitled to deduct the same out of

the income from the Charged Premises or the proceeds of disposition of the Charged Premises;

- (iv) the appointment of every such receiver by the Agent shall not, to the extent permitted by law, incur or create any liability on the part of the Agent to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Agent a mortgagee in possession in respect of the Real Property or any part thereof;
- (v) every such receiver shall, from time to time, have the power to lease or otherwise deal with any portion of the Real Property which may become vacant or available for lease on such terms and conditions as such receiver may deem advisable and shall have full power to complete any unfinished construction upon the Real Property (such power of the receiver to include the power to borrow funds in the name of and on the credit of the Chargor for such purposes, which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vi) every such receiver shall have full power to fully manage, develop, operate, lease, deal with agreements and Leases, construct, complete, repair, renovate or alter the Real Property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including entering into, amending and terminating such contracts and other agreements relating to the Charged Premises as are necessary or advisable, in the opinion of the receiver, and the entering into, renewal, amendment, supplement or termination of any agreements and Leases as the receiver may deem appropriate in its sole and absolute discretion; the aforementioned power shall include the power to borrow money in the name of and on the credit of the Chargor for all such purposes (which borrowings may be secured by the Charged Premises, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vii) no such receiver shall be liable to the Chargor to account for monies other than monies actually received by or in respect of Charged Premises or any part thereof and out of such monies so received, every such receiver shall, subject to the further direction of the Agent, in the following order pay:
 - (A) his remuneration aforesaid;
 - (B) all payments made or incurred by him in connection with the management, operation, construction, completion, repair or alteration of the Charged Premises or any part thereof in accordance with the provisions thereof;

- (C) all payments of interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to this Debenture or the Loan Documents and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Charged Premises or any part thereof and in payment of all interest, fees and other similar amounts due or falling due hereunder and the balance to be applied upon the Secured Obligations in accordance with the terms of the Credit Agreement; and
- (D) at the discretion of the receiver, interest, principal and other monies which may from time to time constitute an encumbrance on the Charged Premises subsequent or subordinate to this Debenture or the Loan Documents; and every receiver may in its discretion retain reasonable reserves to pay accruing amounts and anticipated payments in connection with any of the foregoing; and any surplus remaining in the hands of every such receiver after payments made as aforesaid shall be accountable to the Chargor and upon termination of the receivership such receiver shall pay such surplus to the Chargor or pay it into court, as the receiver may elect;
- (viii) the Agent may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver; and
- (ix) the receiver may carry out all actions and do all things that the Agent may do under this Debenture and the Loan Documents as if it were the Agent (it being agreed that such powers are not in any way limited by the foregoing provisions of this Subsection 3.1(r)).

3.2 Sale of Charged Premises: The Chargor agrees that any sale referred to in Section 3.1 may be either a sale of all or any portion of the Charged Premises and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which the Chargor waives to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Agent in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell. The Agent may sell the Charged Premises for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for them. purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Chargor and all those claiming an interest in the Charged Premises by, from, through or under the Chargor.

3.3 References to the Agent Include Receiver: For the purposes of Sections 3.2, 3.4, 3.7, 3.8, 3.10, 3.11 and 3.14 a reference to the Agent shall, where the context permits, include any receiver or receiver and manager or other agent on behalf of the Agent.

3.4 Chargor's Rights: Subject to the terms of the Loan Documents, until the security hereby constituted shall become and remains enforceable, the Chargor shall be entitled to deal with the Charged Premises and enforce, use and enjoy all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon the security hereby constituted becoming and remaining enforceable, the Agent may, but shall not be obligated to, exercise all rights, powers, authority and discretions of the Chargor in respect of the Charged Premises in its place and stead.

3.5 Judgment: Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal hereby secured or interest thereon or other moneys owing hereunder nor shall such operate as a merger of any covenant or affect the right of the Agent to interest at the rate hereinbefore specified and any judgment shall bear interest at such rate.

3.6 Interest: If any amount payable to the Agent under this Debenture is not paid when due, the Chargor will pay to the Agent, immediately on demand, interest on such amount from the date due until paid, at an annual rate equal to the interest rate stipulated therefor in the relevant Loan Document. All amounts payable by the Chargor to the Agent under this Debenture, and all interest on all such amounts will form part of the Secured Obligations and will be secured by the security interests created by this Debenture.

3.7 Charge as Security:

- (a) It is expressly acknowledged and agreed that nothing herein contained shall obligate the Agent to assume or perform any obligation of the Chargor to any third party in respect of or arising out of any of the Charged Premises. The Agent may, however, at its option, assume or perform any such obligations as the Agent considers necessary or desirable to obtain the benefit of the Charged Premises free of any set-off, deduction or abatement and any money expended by the Agent in this regard shall form part of and shall be deemed to form part of the Secured Obligations and bear interest at the rate stipulated in Section 3.6.
- (b) The exercise by the Agent of its rights under this Debenture or the assumption of certain obligations of the Chargor as referred to in Subsection 3.7(1) above shall not constitute or have the effect of making the Agent a mortgagee in possession. Care, control and management of the Charged Premises shall remain and shall be deemed to be with the Chargor in the absence of clear and unequivocal action by the Agent depriving the Chargor of such care, control and management and the assumption thereof by the Agent.

3.8 Limitations on Agent's Liability: The Agent will not be liable to the Chargor or any other Person for any failure or delay in exercising any of the rights of the Agent under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any Charged Premises, or to preserve rights against prior parties). Neither the Agent, nor any receiver

or agent of the Agent is required to take, or will have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other Persons under any Charged Premises in its possession. Neither the Agent nor any receiver or agent will be liable for any, and the Chargor will bear the full risk of all, loss or damage to any and all of the Charged Premises (including any Charged Premises in the possession of the Agent or any receiver or agent) caused for any reason other than the gross negligence or wilful misconduct of the Agent or such receiver or agent.

3.9 Chargor Remains Liable under Accounts and Contracts: Notwithstanding any provision of this Debenture, the Chargor will remain liable under each of the agreements, contracts, Leases, material agreements, and other documents comprising the Charged Premises (each a “**Contract**”) to pay and satisfy all indebtedness, liabilities and other monetary obligations and to observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the Chargor thereunder, all in accordance with the terms of each such Contract. The Agent will have no obligation or liability under any account or monetary obligation (an “**Account**”) (or any Contract giving rise thereto) or Contract by reason of or arising out of this Debenture or the receipt by the Agent of any payment relating to such Account or Contract pursuant hereto, and in particular (but without limitation), the Agent will not be obligated in any manner to perform any of the obligations of the Chargor under or pursuant to any Account (or any Contract giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any Contract giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.10 Dealings by Agent: The Agent will not be obliged to exhaust its recourse against the Chargor or any other Person or against any other security it may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Charged Premises in such manner as the Agent may consider desirable. The Agent may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Chargor and any other Person, and with any or all of the Charged Premises, and with other security and sureties, as the Agent may see fit, all without prejudice to the Secured Obligations or to the rights and remedies of the Agent under this Debenture or the other Loan Documents. The powers conferred on the Agent under this Debenture are solely to protect the interests of the Agent in the Charged Premises and will not impose any duty upon the Agent to exercise any such powers.

3.11 Possession of Charged Premises: Where any Charged Premises is in the possession of the Agent or any receiver or agent:

- (a) the Agent shall only have the duty of care with respect to such Charged Premises as would a reasonable and prudent owner, including the duty to use reasonable care in the custody and preservation thereof, provided that the Agent need not take any steps of any nature to defend or preserve the rights of the Chargor therein against the claims or demands of others or to preserve rights therein against prior parties;

- (b) the Agent may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such Charged Premises upon any terms provided that such terms do not impair the Chargor's right to redeem such Charged Premises; and
- (c) the Agent may, at any time following the occurrence of an Event of Default which is continuing, use such Charged Premises in any manner and to such extent as it deems necessary or desirable.

3.12 After Acquired Property: The Chargor covenants and agrees that, if and to the extent that any of its respective rights, titles, estates and interests in any of the Charged Premises is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the Security Interests of the Agent hereby created shall attach to such Charged Premises at the same time as the Chargor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or assurance and thereafter such Charged Premises shall be subject to the Security Interests created hereby in accordance with the provisions of Section 2.1 hereof.

3.13 Attachment: The Chargor hereby acknowledges and agrees that value has been given for the granting of the Security Interests created hereby and that there is no agreement between the Chargor and the Agent, express or implied, to postpone the attachment of the Security Interests created hereby except in respect of after-acquired property forming part of the Charged Premises with respect to which the Security Interests created hereby shall attach at the same time as the Chargor acquires rights therein or thereto.

3.14 Indemnity: The Chargor agrees to indemnify the Agent from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent and arising by reason of any action (including any action referred to in this Debenture) or inaction or omission to do any act legally required by the Chargor other than by reason of the gross negligence or wilful misconduct of the Agent. This indemnification will survive the satisfaction, release or extinguishment of the Secured Obligations and the security interests created by this Debenture.

3.15 General Assignment of Rents and Leases: As general and continuing security for payment and performance of the Secured Obligations, the Chargor hereby assigns, transfers, grants and sets over to the Agent, as and by way of a first fixed and specific assignment and security interest, (but subject to the limitations in Section 2.2) all legal and beneficial right, title and interest in and to (i) the rents and other monies now or hereafter due and payable in respect of the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for 'same in the name of the Chargor or the owner from time to time of the Real Property or in the name of the Agent, as the Agent may determine in its sole discretion, and (ii) the Leases with full benefit and advantage thereof including the benefit of all covenants and agreements contained in the Leases on the part of the tenants therein or any guarantor or indemnitor thereof to be observed, performed or kept, including all proceeds of or from any of the foregoing. This assignment and security interest is in addition to and not in substitution for any other general assignment of the rents and Leases and other security granted by the Chargor to the Agent to secure the Secured Obligations.

ARTICLE 4
GENERAL PROVISIONS

4.1 Remedies Cumulative and Waivers: For greater certainty, it is expressly understood and agreed that the rights and remedies of the Agent hereunder or under any other document or instrument executed pursuant to this Debenture are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Debenture or other document or instrument executed pursuant to this Debenture or the Loan Documents shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Agent may be lawfully entitled for such default or breach. Any waiver by the Agent of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained and any indulgence granted either expressly or by course of conduct by the Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Agent under this Debenture or other document or instrument executed pursuant to this Debenture as a result of any other default or breach hereunder or thereunder.

4.2 Termination: The Agent covenants and agrees with the Chargor that, if the Chargor pays, performs, satisfies and extinguishes all Secured Obligations and if no Secured Creditor has any further obligation to provide or continue to provide credit facilities to the Chargor pursuant to any Loan Document, this Debenture shall be and become fully ended and terminated and all right, title, interest and benefit of the Chargor in, to, under or in respect of the Charged Premises, assigned by it to, or held by it in trust for, the Agent hereunder shall automatically revert to the Chargor or its successors or assigns, and all covenants and agreements of the Chargor hereunder shall be at an end and the Agent, upon the request and at the expense of the Chargor, shall execute such instruments, discharges or re assignments and give such notification or assurances as the Chargor may properly require to fully release, discharge and cancel this Debenture in the circumstances.

4.3 Notice: Subject to the last sentence of this Section 4.3, any demand, notice, consent or other communication to be made or given hereunder shall be in writing and may be made or given by delivery or by transmittal by telecopy addressed to the respective parties as follows:

(a) to the Chargor, at:

c/o Bondfield Construction Company Limited
407 Basaltic Road
Concord, Ontario
L4K4W8

Attention: John Aquino
Facsimile No.: (416) 667-8462

to the Agent, at:

Bridging Finance Inc.
77 King Street West

Suite 2925, P.O. Box 322
Toronto, ON M5K 1K7

Attention: Natasha Sharpe, Chief Investment Officer
Facsimile No: 1-888-920-9599
E-mail: nsharp@bridgingfinance.ca

or to such other address or telecopy number as any party may from time to time notify to the other in accordance with this Section 4.3. Any demand, notice, consent or communication made or given by delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, or, if made or given by telecopy, on the first Business Day following the transmittal thereof.

4.4 Further Assurances: Each party shall, at its own expense, promptly execute and deliver to the other upon request all such other and further documents, agreements, opinions, certificates and other instruments in compliance with or accomplishment of their covenants and agreements hereunder or under any document to be delivered pursuant hereto or otherwise necessary to make any recording, file any notice or obtain any consent, all as may be reasonably necessary and appropriate in connection herewith.

4.5 Continuing Security: This Debenture and the rights and remedies it creates are a continuing agreement and security and shall bind the parties until discharge of this Debenture as provided in Section 4.2 hereof. No payment by the Chargor of the whole or any part of any Secured Obligations by this Debenture shall reduce the amount secured hereby unless specifically appropriated to and noted on this Debenture by the Agent.

4.6 No Marshalling: This Debenture shall be in addition to and not in substitution for any other security which the Agent may now or hereafter hold in respect of the Secured Obligations and the Agent shall be under no obligation to marshal in favour of the Chargor, any other Obligor or other lender or holder of security, any monies or other assets which the Agent may be entitled to receive or upon which the Agent may have a claim.

4.7 Agreement Paramount: This Debenture is issued subject to the terms of the Credit Agreement. In the event of any inconsistency or conflict between the terms of this Debenture and the Credit Agreement, the terms of the Credit Agreement shall govern. Notwithstanding the foregoing and for greater certainty, the remedies available to the Agent pursuant to this Debenture are in addition to and not in substitution for any remedies set out in the Credit Agreement or the Loan Documents.

4.8 Amendment of Agreement: No supplement, modification, amendment, waiver or termination of this Debenture shall be binding unless executed in writing by all parties hereto. No waiver of any provision of this Debenture shall be deemed or shall constitute a waiver of any

other provision of this Debenture (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise so expressed or provided.

4.9 Invalidity of Provisions: If any of the provisions in this Debenture should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

4.10 Time: Time shall be of the essence in this Debenture.

4.11 Successors and Assigns: This Debenture and all its provisions shall enure to the benefit of and shall be binding upon the Agent and the Chargor and their respective successors and permitted assigns.

4.12 Assignment by Agent: The rights of the Agent under this Debenture may be assigned by the Agent, in accordance with the terms of the Credit Agreement, without the prior consent of the Chargor. The Chargor may not assign its obligations under this Debenture.

4.13 Attorney: The Chargor hereby irrevocably nominates, constitutes and appoints the Agent and each of its officers holding office from time to time as the true and lawful attorney of the Chargor with full power of substitution in the name of the Chargor to do any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Agent reasonably considers necessary or desirable to carry out the provisions and purposes of this Debenture and to perform all acts of ownership in respect to the Charged Premises in accordance with this Debenture or to exercise any of its rights and remedies hereunder, such power being coupled with an interest, and the Chargor hereby ratifies and agrees to ratify all reasonable acts of any such attorney taken or done in accordance with this Section 4.13. Without in any way limiting the generality of the foregoing, the Agent shall have the right to execute for and in the name of the Chargor all financing statements, financing change statements, conveyances, transfers, assignments, consents and other instruments as may be required for such purposes. This power of attorney shall not be revoked or terminated by any act or thing other than the discharge of this Debenture in accordance with Section 4.2. The power of attorney granted in this section may only be exercised during the continuance of an Event of Default.

4.14 Acknowledgement by Chargor: The Chargor acknowledges receipt of a copy of this Debenture and hereby expressly waives the right to receive a copy of any financing statement or a copy of the statement confirming the registration of any financing statement that may be registered in connection with any security interest created under this Debenture.

4.15 Applicable Law: This Debenture shall be governed in all respects by the laws of the Province of Ontario and the laws of Canada applicable therein.

4.16 Attornment: The Chargor submits to the non-exclusive jurisdiction of any court in the Province of Ontario in any action or proceeding arising out of or relating to this Debenture, and the Chargor irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in any such court or in any other court of competent jurisdiction selected by the Agent.

4.17 Land Registration Reform Act: The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) are hereby, to the extent inconsistent with the provisions hereof, expressly excluded and replaced by the terms of this Debenture.

[SIGNATURE PAGE FOLLOWS]

- S1 -

IN WITNESS WHEREOF the parties have duly executed this Debenture as of the date first written above.

1033803 ONTARIO INC.

Per: _____

Name: John Aquino

Title: Vice-President

Per: _____

Name:


Title:

I/We have authority to bind the Corporation

DEMAND DEBENTURE
1033803 ONTARIO INC.
(Bondfield Construction)

- 2 -

BRIDGING FINANCE INC.

Per: 
Name: NATASHA SIMPE
Title: CIO

Per: _____
Name:
Title:

I/We have authority to bind the Corporation

DEMAND DEBENTURE
1033803 ONTARIO INC.
(Bondfield Construction)

Schedule "A"

None.

Schedule "B"

1. PIN 03272-0071 (LT)

Parcel 1-1, Section 65M3040 being Lot 1, Plan 65M3040, s/t LT1059554; s/t LT1055473; City of Vaughan, Regional Municipality of York

Municipally known as 407 Basaltic Road, Vaughan, Ontario

2. PIN 14209-1704 (LT)

Part Lot 6, Concession 7 ND (Toronto Gore), designated as Parts 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; s/t easement in gross over Parts 22, 23 and 24, 43R31898 as in PR1385008; s/t easement in gross over Parts 22 and 23, 43R31898 as in PR1385011; s/t easement in gross over Parts 2 to 5, 43R34750 as in PR2261758; s/t easement in gross over Parts 3, 5, 11, 43R34750 as in PR2264436; City of Brampton, Regional Municipality of Peel

Municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario)

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

yyyy mm dd Page 1 of 10

Properties

PIN 14209 - 1704 LT
Description PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON
Address 3420 QUEEN STREET EAST
 BRAMPTON

Applicant(s)

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

Name 1033803 ONTARIO INC.
Address for Service c/o 407 Basaltic Road
 Concord, ON L4K 4W8
 Attention: Ralph Aquino

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

Party To(s)	Capacity	Share
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<i>Name</i>	BRIDGING FINANCE INC.
<i>Address for Service</i>	77 King Street West Suite 2925, P.O. Box 322 Toronto, ON M5K 1K7

Statements

The applicant applies for the entry of a notice of general assignment of rents.
 This notice may be deleted by the Land Registrar when the registered instrument, PR3170291 registered on 2017/07/25 to which this notice relates is deleted
 Schedule: See Schedules

Signed By

Susanne Herceg	1 First Canadian Place, 61st Floor, Box 50 Toronto M5X 1B8	acting for Applicant(s)	Signed	2017 07 24
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Tel 416-362-2111
 Fax 416-862-6666

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

Susanne Herceg	1 First Canadian Place, 61st Floor, Box 50 Toronto M5X 1B8	acting for Party To(s)	Signed	2017 07 24
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Tel 416-362-2111
 Fax 416-862-6666

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

Submitted By

OSLER HOSKIN & HARCOURT LLP	1 First Canadian Place, 61st Floor, Box 50 Toronto M5X 1B8			2017 07 25
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Tel 416-362-2111
 Fax 416-862-6666

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

Fees/Taxes/Payment

Statutory Registration Fee	\$63.35
Total Paid	\$63.35

File Number

Applicant Client File Number : 1114463

THIS AGREEMENT made as of this 24th day of July, 2017.

B E T W E E N:

1033803 ONTARIO INC.

(hereinafter referred to as the “COMPANY”)

-and-

BRIDGING FINANCE INC.

(hereinafter referred to as the “LENDER”)

WHEREAS:

- A. The Company is the registered owner of the lands and premises which are more particularly described in the attached Schedule “A” (the “**Premises**”) and which are subject inter alia, to a debenture or mortgage in favour of the Lender securing a principal amount of \$90,000,000.00, registered on the same date as this Assignment in the applicable Land Registry Office for the Premises (as amended from time to time herein called the “**Mortgage**”).
- B. The Company agreed to assign the rents reserved and payable under any current leases for which notice has been registered in the land titles office with respect to the premises located in the buildings now or hereafter situated on the Premises (herein called the “**Current Lease**”), together with all leases with respect to the premises located in the buildings now or hereafter situated on the Premises in effect from time to time (the “**General Leases**”) and together with all future leases (herein called the “**Future Leases**”) with respect to the premises located in the buildings now or hereafter situated on the Premises to the Lender as collateral security for the payment of the obligations secured by the Mortgage (the Current Lease, General Leases, and Future Leases herein collectively called the “**Leases**”).

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the sum of TWO DOLLARS (\$2.00) of lawful money of Canada now paid by the Lender to the Company, (the receipt and sufficiency whereof is hereby acknowledged by the Company) the Company and Lender hereby agree as follows:

1. **ASSIGNMENT**

Subject to any prior assignments, the Company hereby transfers, assigns and sets over unto the Lender all of its respective right, title and interest in the following (herein called the “Assignment”):

(a) the Leases;

(b) all rents and monies payable under the Leases or any extensions or renewals thereof and all monies payable pursuant to any repudiation, disclaimer, termination or surrender thereof, whether by mutual agreement or as permitted by a Court of competent jurisdiction pursuant to any applicable legislation (the “Rents”); and

(c) the benefit of all covenants, stipulations and provisions contained in the Leases;

to hold and receive the same unto the Lender as continuing collateral security for the obligations secured by the Mortgage.

2. **COLLECTION**

Nothing herein contained shall be deemed to have the effect of making the Lender responsible for the collection of the Rents or any part thereof or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained in the Leases and the Lender shall not by virtue of these presents be deemed a mortgagee in possession of the Premises or any of them and this Assignment shall not of itself create the relationship of landlord and tenant between the Lender and any lessee.

3. **ACCOUNTING**

The Lender shall be liable to account for only such monies as shall actually come into its hands by virtue of these presents and such monies when received by the Lender shall be applied on account of the monies from time to time secured by the Mortgage and any renewal thereof or amendment thereto or under any agreement collateral thereto.

4. **NON-WAIVER**

(a) The parties agree that none of the rights or remedies of the Lender as mortgagee under the Mortgage shall be delayed or in any way prejudiced by this Assignment or by any act of the Lender pursuant to this Assignment.

(b) The parties agree that notwithstanding any variation of the terms of this Assignment, the Mortgage or any agreement or arrangement with the Company or any extension of time for payment or any release of part or parts of the Premises, or of any collateral or additional security which may be given to the Lender, the Leases, Rents and other benefits hereby assigned shall continue as security until the whole of the monies payable pursuant to the Mortgage shall be fully paid and satisfied.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

(c) The Lender may waive any default or breach of covenant herein and shall not be bound to serve any notice upon the lessees upon the happening of any default or breach of covenant but any such waiver shall not extend to any subsequent default or breach of covenant.

5. **FURTHER ASSURANCES**

The Company and Lender covenant and agree each with the other from time to time and at all times hereafter at the request of the other to execute and deliver without expense any documentation required to give full and further effect to this Assignment, and to provide any other parties thereto a notice of the Assignment and to use reasonable efforts to obtain from them acknowledgements of such notice, both in form and content acceptable to the Lender, acting reasonably.

6. **NOTICE**

Until demand under the Mortgage, and until the Lender serves notice thereof to the Company (the "Notice"), the Company shall be entitled to receive the Rents and shall not be liable to account therefor to the Lender; provided, however, after such Notice the Lender shall be entitled to collect all Rents falling due subsequent to the date of service of the Notice, and to enforce all remedies of the lessor by virtue this Assignment.

7. **PERFORMANCE BY COMPANY AS LESSOR**

The Company hereby covenants with the Lender that notwithstanding any act of the Company, the Leases, if any, are, in all material respects, good, valid and subsisting and that the covenants and obligations therein have been duly observed and performed by the Company up to the date hereof in all material respects and, the Company now has good right, full power and absolute authority to make this Assignment.

8. **REPRESENTATIONS BY COMPANY WITH RESPECT TO EXISTING LEASES**

The Company hereby represents and warrants that none of the lessees are in material default under any of the terms, covenants or conditions of the Leases, and that as of the date hereof none of the lessees has any defence, set-off or counterclaim of a material nature respecting the relevant Leases against the Company, and that no Rents have been prepaid more than 2 months in advance of the accrual thereof.

9. **MANAGEMENT OF LEASES PRIOR TO NOTICE**

The Company covenants to observe and perform all of the lessor's covenants and obligations contained in the Leases, and to maintain, manage and lease the Premises in accordance with sound business practices.

10. **DEALINGS WITH LEASES**

(a) Except in accordance with prudent business practice, the Company shall not without the prior written consent of the Lender accept prepayments, surrender, or terminate or materially amend any of the Leases, or give any consent, concession or waiver or exercise any option of the Company permitted by such terms, or effect a merger, elimination or material diminution of the obligations of the lessees thereunder. The Company upon request of the Lender shall execute and deliver all such further assurances and provide copies and/or details as the Lender from time to time shall reasonably require in order to cause prompt action, including legal proceedings for enforcement of this Assignment and all other remedies available to the Lender hereunder to be commenced against any delinquent party as soon as reasonably necessary to protect the interest of the lessor.

(b) Notwithstanding anything else herein contained, in the event that any tenant is permitted by a court of competent jurisdiction to repudiate, disclaim, terminate, surrender or otherwise materially amend any lease pursuant to the Bankruptcy and Insolvency Act, as amended from time to time, or any similar legislation, then any payment to the Company, as landlord shall be received by the Company in trust for the Lender, and the Company shall forthwith remit such payment to the Lender to be held by the Lender as cash collateral security or to be applied against the indebtedness of the Company to the Lender, or any part of such indebtedness, all as the Lender shall see fit.

11. **ENFORCEMENT OF LENDER REMEDIES**

(a) Upon delivery of the Notice, the Lender shall be entitled to exercise from time to time, all of its rights and remedies in law or in equity, in addition to any remedies set out herein, including without limitation, foreclosure, power of sale, appointment of a receiver, distress, attornment of rents, taking possession of the Premises, and suit upon the covenant. In the event the Lender does not invoke any specific remedy at any specific time, the Lender shall not be deemed to have waived such remedy.

(b) All remedies shall be cumulative and concurrent and not alternative and may be pursued separately, successively or concurrently against the Company, against the Premises, or any or all of them as often as occasion therefor shall arise.

(c) The Lender shall have the power to apply all monies received pursuant to this Assignment in such order as the Lender may reasonably determine, towards payment of the obligations secured by the Mortgage and payment of any and all sums, monies, costs, charges and expenses incurred by the Lender in exercise of any of its rights and remedies herein including taxes, insurance, usual and customary commissions to a real estate broker for leasing real estate and collecting rents, if any, and the reasonable expenses and fees of all solicitors (on a solicitor and client basis), agents and servants which expenses may be reasonably necessary to exercise the powers granted to the Lender hereunder.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

(d) The exercise of any remedies herein by the Lender shall not render the Lender liable to any lessee for the return of any security deposit, or for any act or breach committed by the Company.

(e) The Lender shall be entitled to give notice to the lessee from time to time of this Assignment, and the effecting of such remedies as the Lender determines from time to time, provided however, any notice delivered prior to the Notice shall merely indicate existence of the Assignment, and shall direct and permit the recipient of such Notice to continue to pay Rents and other amounts payable under the relevant lease to the Company, subject to such limitations with respect to prepaid amounts as are contained herein.

(f) The Company hereby appoints the Lender to be the true and lawful attorney of the Company after receipt of the Notice for and in the name of the Company to demand, recover and enforce payment of Rents and to enforce observance of covenants by lessees pursuant to the Leases, and to institute such actions at law or in equity, or take such proceedings by distress or otherwise as the Lender shall from time to time determine. This power of attorney shall be a power coupled with an interest and shall be irrevocable by the Company.

12. **RE-ASSIGNMENT**

(a) Upon repayment of the Mortgage, the Company shall be entitled at the Company's expense to a release and/or re-assignment of the Assignment in registerable form, and discharge of any financing statements relating thereto.

(b) The Lender shall be entitled to deliver a re-assignment of this Assignment to the Company from time to time in its sole discretion.

13. **SUCCESSORS AND ASSIGNS**

This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

14. **AFTER ACQUIRED PROPERTY**

This Assignment shall apply and the security interest hereby created shall attach to any Future Leases entered into by the Company respecting the Premises without the necessity of any further assignment or other assurances.

15. **SEVERABILITY**

In case any of the provisions of this Assignment shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Assignment shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

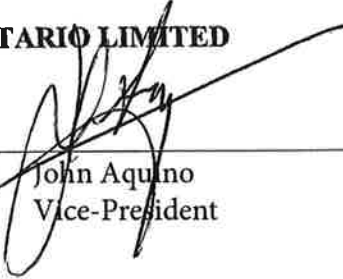
16. **GOVERNINGLAW**

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

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

IN WITNESS WHEREOF, each of the undersigned has affixed its corporate seal under the hands of its duly authorized signing officer as of the date first written above.

1033803 ONTARIO LIMITED

By: 
Name: John Aquino
Title: Vice-President

By: _____
Name:
Title:

I/We have authority to bind the Corporation.

GENERAL ASSIGNMENT OF RENTS
1033803 ONTARIO LIMITED
(Bondfield Construction)

SCHEDULE "A"**Legal Description****1. PIN 03272-0071 (LT)**

Parcel 1-1, Section 65M3040 being Lot 1, Plan 65M3040, s/t LT1059554; s/t LT1055473; City of Vaughan, Regional Municipality of York

Municipally known as 407 Basaltic Road, Vaughan, Ontario

2. PIN 14209-1704 (LT)

Part Lot 6, Concession 7 ND (Toronto Gore), designated as Parts 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; s/t easement in gross over Parts 22, 23 and 24, 43R31898 as in PR1385008; s/t easement in gross over Parts 22 and 23, 43R31898 as in PR1385011; s/t easement in gross over Parts 2 to 5, 43R34750 as in PR2261758; s/t easement in gross over Parts 3, 5, 11, 43R34750 as in PR2264436; City of Brampton, Regional Municipality of Peel

Municipally known as 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario)

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ONTARIO PPSA SEARCH SUMMARIES

BONDFIELD CONSTRUCTION COMPANY LIMITED and CORPORATE GUARANTORS

1. PERSONAL PROPERTY SECURITY ACT (Ontario) - 2032686 ONTARIO LIMITED

(a) 2032686 Ontario Limited - File Currency: November 7, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Travelers Guarantee Company of Canada	2032686 Ontario Limited	743577786 - 20180910 1602 1862 1888 (10 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
2. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
3. FF Supply LLC dba Zenith Insured Credit	2032686 Ontario Limited BMC Masonry	738548469 - 20180424 0921 1590 8360 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
4. Bridging Finance Inc., as Agent	2032686 Ontario Limited	729940455 - 20170718 1522 1590 8431 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

(b) BMC Masonry - File Currency: November 7, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
There were no registrations disclosed aside from those disclosed previously by the search conducted against "2032686 Ontario Limited"					

2. PERSONAL PROPERTY SECURITY ACT (Ontario) - 1291547 ONTARIO INC.

(a) 1291547 Ontario Inc.- File Currency: November 6, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	1291547 Ontario Inc.	729940788 - 20170718 1526 1590 8440 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

3. **PERSONAL PROPERTY SECURITY ACT (Ontario) - 1291546 ONTARIO INC.**

(a) **1291546 Ontario Inc.- File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	1291546 Ontario Inc.	729940635 - 20170718 1523 1590 8434 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

4. **PERSONAL PROPERTY SECURITY ACT (Ontario) - 1087507 ONTARIO LIMITED**

(a) **1087507 Ontario Limited - File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	1087507 Ontario Limited	729940653 - 20170718 1524 1590 8436 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

5. **PERSONAL PROPERTY SECURITY ACT (Ontario) - 950504 ONTARIO INC.**

(a) **950504 Ontario Inc. - File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	950504 Ontario Inc.	729940761 - 20170718 1525 1590 8439 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

6. **PERSONAL PROPERTY SECURITY ACT (Ontario) - 834076 ONTARIO INC.**

(a) **834076 Ontario Inc. - File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	834076 Ontario Inc.	729940644 - 20170718 1523 1590 8435 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

7. **PERSONAL PROPERTY SECURITY ACT (Ontario) - 352021 ONTARIO LIMITED**

(a) **352021 Ontario Limited - File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. Bridging Finance Inc., as Agent	352021 Ontario Limited	729940716 - 20170718 1525 1590 8438 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

8. **PERSONAL PROPERTY SECURITY ACT (Ontario) - BONDFIELD CONSTRUCTION EQUIPMENT LTD.**

(a) **Bondfield Construction Equipment Ltd. - File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
2. FF Supply LLC dba Zenith Insured Credit	Bondfield Construction Equipment Ltd.	738548568 - 20180424 0923 1590 8364 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
3. Bridging Finance Inc., as Agent	Bondfield Construction Equipment Ltd.	729940608 - 20170718 1523 1590 8433 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

9. PERSONAL PROPERTY SECURITY ACT (Ontario) - BONDFIELD GROUP INC.

(a) Bondfield Group Inc. - File Currency: November 6, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Her Majesty in Right of Ontario Represented by the Minister of Finance	Bondfield Group Inc.	742400163 - 20180807 1029 1031 2028 (5 years)	Inventory, Equipment, Accounts, Other, Amount Secured: \$6,521		
2. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
3. Bridging Finance Inc., as Agent	Bondfield Group Inc.	729940518 - 20170718 1522 1590 8432 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180730 1340 1590 5629</u> Amendment to change the name of the debtor from "Bondfield Management Inc." to "Bondfield Group Inc."

(b) Bondfield Management Inc. - File Currency: November 6, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
There were no registrations disclosed aside from those disclosed previously by the search conducted against "Bondfield Group Inc."					

10. PERSONAL PROPERTY SECURITY ACT (Ontario) - BONDFIELD CONSTRUCTION COMPANY LIMITED

- (a) Bondfield Construction Company Limited; - File Currency: November 6, 2018
Bondfield Construction Company; and - File Currency: November 7, 2018
Bondfield Construction - File Currency: November 7, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Aluma Systems Inc.	Bondfield Construction Company Limited	744310854 – 20181001 1200 1590 9909 (3 years) <i>Registered under the RSLA</i>	<i>(no collateral classification is included)</i> Amount Secured: \$505,750	Concrete forming and shoring and related equipment	
2. McAlpine Ford Lincoln Sales Ltd	Bondfield Construction Company Limited	743564799 - 20180910 1229 1793 4796 (5 years)	Equipment, Motor Vehicles, Amount Secured: \$3,173, 2013 Ford F150, 2008 Lincoln MKX, VINs listed	Two vehicles repaired by us and parts were also purchased for one of the vehicles. We have made several attempts (<i>sic</i>) to contact them to recover the receivable and no response	
3. Travelers Guarantee Company of Canada	Bondfield Construction Company Limited	743577705 - 20180910 1558 1862 1885 (10 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
4. Demelo's Construction Equipment Ltd	Bondfield Construction Company	743446476 – 20180906 1029 2372 0044 (1 year)	Equipment, Amount Secured: \$2,203	JLG 4632 Serial #0200165512 3 Months Rent Invoice #717604,717247,718028	
5. Demelo's Construction Equipment Ltd	Bondfield Construction Company	743446611 – 20180906 1033 2372 0045 (1 year) <i>Registered under the RSLA</i>	<i>(no collateral classification is included)</i> Amount Secured: \$9,166	Inshop Repairs on Terrex TH842 Telehandler Serial #045804 Invoice #717550	
6. Toromont CAT, a div. of Toromont Industries Ltd.	Bondfield Construction Company Limited	742231242 – 20180801 1011 1462 3887 (1 year) <i>Registered under the RSLA</i>	Motor Vehicles, Amount Secured: \$1,500, 2005 CAT CP433, VIN listed	This PPSA registration is a purchase money security interest (PMSI) over current and future equipment and inventory purchased from Toromont Industries Ltd. (o/a Toromont CAT).	<u>Amended by 20180802 1402 1462 4666</u> Amendment to include the full VIN in the registration

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				Model CP433 & Serial # ASN00443	
7. Toromont CAT, a div. of Toromont Industries Ltd.	Bondfield Construction Company Limited	742231251 – 20180801 1011 1462 3888 (1 year) <i>Registered under the RSLA</i>	<i>(no collateral classification is included)</i> 2011 CAT CS56, VIN listed	This PPSA registration is a purchase money security interest (PMSI) over current and future equipment and inventory purchased from Toromont Industries Ltd. (o/a Toromont CAT). Model CS56 & Serial # C5S01526	<u>Amended by 20180802 1402 1462 4667</u> Amendment to include the full VIN in the registration
8. Toromont CAT, a div. of Toromont Industries Ltd.	Bondfield Construction Company Limited	742231269 – 20180801 1011 1462 3889 (1 year) <i>Registered under the RSLA</i>	Motor Vehicles, Amount Secured: \$1,100, 2007 CAT CS-433E, VIN listed	This PPSA registration is a purchase money security interest (PMSI) over current and future equipment and inventory purchased from Toromont Industries Ltd. (o/a Toromont CAT). Model CS-433E & Serial # CATCS433HASR00805	
9. Toromont CAT, a div. of Toromont Industries Ltd.	Bondfield Construction Company Limited	742080762 – 20180727 1404 1462 2855 (1 year) <i>Registered under the RSLA</i>	Motor Vehicles, Amount Secured: \$41,000, 2007 CAT TL1255, VIN listed	This PPSA registration is a purchase money security interest (PMSI) over current and future equipment and inventory purchased from Toromont Industries Ltd. (o/a Toromont CAT). Model TL1255 & Serial # TBN00261	<u>Amended by 20180730 1003 1462 3131</u> Amendment to correct the name of the debtor from “Bondfield Construction Company” to “Bondfield Construction Company Limited”
10. Toromont CAT, a div. of Toromont Industries Ltd.	Bondfield Construction Company Limited	742080771 – 20180727 1404 1462 2856 (1 year) <i>Registered under the RSLA</i>	Motor Vehicles, Amount Secured: \$500, 2007 CAT TL1255, VIN listed	This PPSA registration is a purchase money security interest (PMSI) over current and future equipment and inventory purchased from Toromont Industries Ltd. (o/a Toromont CAT). Model TL1255 & Serial # TBN00261	<u>Amended by 20180730 1003 1462 3130</u> Amendment to correct the name of the debtor from “Bondfield Construction Company” to “Bondfield Construction Company Limited”
11. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include “Forma-Con Construction”, “Ralph Aquino”, “Raffaele Aquino”, “John Aquino” and “Steven Aquino” as additional debtor

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino DOB: 19MAY1943 Raffaele Aquino DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				names
12. FF Supply LLC dba Zenith Insured Credit	Bondfield Construction Company Limited	738548532 - 20180424 0922 1590 8363 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
13. Demelo's Construction Equipment Ltd.	Bondfield Construction Company	737736417 – 20180329 1408 2372 0042 (1 year) <i>Registered under the RSLA</i>	<i>(no collateral classification is included)</i> , Amount Secured: \$1,017	Rental unit serial #M20001338 invoice number? (sic) 715120, 715390 total? (sic) \$1017.00	
14. Bank of Montreal/ Banque de Montreal	Bondfield Construction Company Limited	736964262 - 20180305 1701 1532 8675 (5 years)	Accounts, Other	LF199 pledge of stated sum as cash collateral over N/O transit 0002-1791-163 in amount of \$150,000.00	
15. Bridging Finance Inc., as Agent	Bondfield Construction Company Limited	729982917 - 20170719 1320 1590 8526 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles	All of the debtor's right, title and interest in and to all of its property and undertaking now owned or hereafter acquired, other than, and for greater certainty the above classifications shall be limited to exclude, any such property which is Excluded Collateral, but including, any and all of its present and after acquired personal property and any and all of its (a) inventory including goods held for sale, lease or resale, goods furnished or to be furnished to third parties under contracts of lease, consignment or service, goods which are raw materials or work in process, goods used in or procured for packing and materials used or consumed in its business, (b) equipment, machinery, furniture, plants, vehicles and other goods of every kind and description and all licences and other rights and all records, files, charts, plans, drawings, specifications, manuals and documents relating thereto, (c) accounts due or accruing due and all agreements, books, accounts, invoices, letters, documents and papers recording,	

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				<p>evidencing or relating thereto, (d) money, documents of title, chattel paper, instruments, investment property (including stocks and other securities (whether evidenced by a security certificate or uncertificated securities), financial assets and security entitlements, (e) intangibles including all security interests, goodwill, choses in action and other contractual benefits and all trade-marks, trade-mark registrations and pending trade-mark applications, patents and pending patent applications and copyrights and other intellectual, (f) substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in (a)-(e) inclusive, and (g) proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in (a)-(f) inclusive or the proceeds of such proceeds. "Executed (<i>sic</i>) Collateral" means all present and after-acquired, right, title and interest of the debtor in and to any and all shares or units in the capital of each of B.B.M. Excavation Company Limited, 2423402 Ontario Inc., 2423403 Ontario Inc., 2442931 Ontario Inc., 2433485 Ontario Inc., 2433486 Ontario Inc., and their respective successors and assigns now or from time to time hereafter held by the debtor (collectively, the "Pledged Securities"), together with all replacements thereof, substitutions therefor and accretions thereto and</p>	

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				together with any and all goods, instruments, investment property, intangibles, chattel paper, documents of title and money (each as defined in the <i>Personal Property Security Act</i> (Ontario)) to which the debtor is or may from time to time hereafter become entitled on account of, in exchange for or by way of dividend or other distribution or allocation on or in respect of the Pledged Securities, or any of them, and all proceeds of the Excluded Collateral, including goods, instruments, investment property, intangibles, chattel paper, documents of title, money, accounts, substitutions, crops, licences, trade ins, insurance proceeds and any other form of proceeds.	
16. Highland Chevrolet Buick GMC Cadillac Ltd.	Bondfield Construction Company Limited	728149896 – 20170530 1412 1462 3824 (4 years)	Consumer Goods, Equipment, Motor Vehicles, Amount Secured: \$135,883, Date of Maturity: 31MAY2021, 2016 Land Rover Range Rover, VIN listed		
17. Highland Chevrolet Buick GMC Cadillac Ltd.	Bondfield Construction Company Limited	727700013 – 20170516 1405 1462 9890 (3 years)	Consumer Goods, Equipment, Motor Vehicles, Amount Secured: \$149,357, Date of Maturity: 31MAY2020, 2016 LandRover RangeRover, VIN listed		
18. ATCO	Bondfield Construction	726134742 –	Other, Amount	Project#7300013510, 12x40 QS	

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
Structures & Logistics	Company Ltd.	20170331 1341 9283 2775 (2 years)	Secured: \$36,000, 2012 12x40 Quality Series Trailer Home, VIN listed	wheeled modular office, Serial#240121435	
19. Highland Chevrolet Buick GMC Cadillac Ltd.	Bondfield Construction Company Limited	724803111 – 20170213 1012 1462 9100 (3 years)	Consumer Goods, Equipment, Motor Vehicles, Amount Secured: \$173,975, Date of Maturity: 28FEB2020, 2017 Land Rover Range Rover, VIN listed		
20. Ford Credit Canada Company	Bondfield Construction Company Limited	724176828 – 20170118 1932 1531 0461 (4 years)	Equipment, Other, Motor Vehicles, 2017 Ford Tran C, VIN listed		
21. ATCO Structures & Logistics Ltd	Bondfield Construction Company Limited	724057533 – 20170113 1158 9283 2506 (3 years)	Other, Amount Secured: \$624,000, 10x2016 12x60 Quality Series Trailer Home, 2016 10x32 Quality Series Trailer Home, VINs listed	7300012330 - 24x60 Quality Series Frameless Two-Storey Modular Frameless Office Complex CA2715 serial numbers 260166410 through (sic) 260166413, 36x60 Quality Series Frameless Two-Storey Modular Frameless Office Complex CA2716 serial numbers 260166414 through (sic) 260166419, and 10x32 Quality Series Wheeled Office 132144541	
22. Ford Credit Canada Limited	Bondfield Construction Company Limited	721696635 – 20161019 1449 1530 4273 (4 years)	Equipment, Other, Motor Vehicles, 2016 Ford Tran C, VIN listed		
23. Ford Credit Canada Limited	Bondfield Construction Company Limited	721567701 – 20161014 1445 1530 2288 (4 years)	Equipment, Other, Motor Vehicles, 2016 Ford F150, VIN listed		
24. Ford Credit Canada	Bondfield Construction Company Limited	721524357 – 20161013 1437 1530	Equipment, Other, Motor Vehicles, 2016		

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
Limited		0993 (4 years)	Ford F150, VIN listed		
25. Ford Credit Canada Limited	Bondfield Construction Company Limited	721524528 – 20161013 1437 1530 1010 (4 years)	Equipment, Other, Motor Vehicles, 2016 Ford F150, VIN listed		
26. Lincoln AFS	Bondfield Construction Company Limited	720987345 – 20160927 1436 1530 2713 (5 years)	Equipment, Other, Motor Vehicles, 2017 Linc MKC, VIN listed		
27. Wells Fargo Equipment Finance Company	Bondfield Construction Company Limited	719819478 – 20160822 1134 5064 6369 (5 years)	Equipment, Motor Vehicles, 2016 Merlo Roto40 18S Tier 4, VIN listed	One (1) 2016 Merlo Telehandler, Model-Roto40 18S Tier 4, Sav-C621241, S/N-ZF1RT16B1C6001703, with a 2016 Merlo Crane Boom Telescopic, S/N 79129003 C/W attachments and accessories. The goods described herein, wherever situated, and all present and after-acquired intellectual property, intangibles, attachments, accessories and accessions thereto and spare parts, replacements, substitutions, exchanges and trade-ins therefor, and all rights, receivables and chattel paper derived from or evidencing the lease or rental thereof by the debtor to third parties, and all proceeds relating thereto. Proceeds - all of the debtor's present and after-acquired personal property which is derived directly or indirectly from any dealing with or disposition of the above-described collateral, including, without limiting the generality of the foregoing, all insurance and other payments payable as indemnity or compensation for loss or damage thereto and all chattel paper, documents of title, goods, instruments, intangibles, money and investment	<u>Amended by 20160824 1404 5064 6486</u> Amendment to include an additional collateral description

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				property. Internal Reference- 9878616001	
28. National Leasing Group Inc.	Bondfield Construction Company Limited	716609781 – 20160512 1525 6005 7775 (4 years)	Equipment, Motor Vehicles, 2x2016 Skyjack SJIII3226 Scissor L, 3x2016 Genie Z45IC Articulating, 2016 Genie GTH-5519 Forklift, VINs listed	All aerial lifts/skyjacks, articulating booms, compressor, beacon lights of every nature or kind described in agreement number 2759232, between the secured party and the debtor, as amended from time to time, together with all attachments, accessories and substitutions	
29. Wells Fargo Equipment Finance Company	Bondfield Construction Company Limited	715135887 – 20160329 1926 5064 9432 (4 years)	Equipment	Account Schedule- 9858608001	
30. Lincoln AFS	Bondfield Construction Company Limited	709869753 – 20150911 1438 1530 1438 (4 years)	Equipment, Other, Motor Vehicles, 2016 Linc MKX, VIN listed		
31. Caterpillar Financial Services Limited	Bondfield Construction Company Limited	709876989 – 20150911 1739 1901 9874 (5 years)	Equipment, Motor Vehicles, 2015 Caterpillar 226D, 2015 Caterpillar BU115, VINs listed	One (1) Caterpillar 226D Skid Steer Loader C/W Bucket One (1) Caterpillar BU115 Pick Up Sweeper together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the abovementioned collateral and all proceeds in any form derived directly or indirectly from any dealing with such collateral and a right to an insurance payment or any payment that indemnifies or compensates for loss or damage to such collateral or proceeds of such collateral. Proceeds means goods, securities, documents of title, chattel paper, instruments, money and intangibles.	
32. Ford Credit	Bondfield Construction	709129323 –	Equipment, Other,		

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
Canada Limited	Company Limited	20150819 1438 1530 1692 (4 years)	Motor Vehicles, 2015 Ford F150, VIN listed		
33. Ford Credit Canada Limited	Bondfield Construction Company Limited	708953904 – 20150813 1043 1529 8961 (4 years)	Equipment, Other, Motor Vehicles, 2015 Ford F150, VIN listed		
34. Ford Credit Canada Limited	Bondfield Construction Company Limited	708953913 – 20150813 1043 1529 8962 (4 years)	Equipment, Other, Motor Vehicles, 2015 Ford F150, VIN listed		
35. Wells Fargo Equipment Finance Company	Bondfield Construction Company Limited	706678713 – 20150602 1417 2078 3852 (4 years)	Inventory, Equipment, Accounts, Other		<u>Assigned by 20170214 1233 5064 7314</u> Assignor: GE Canada Equipment Financing G.P Assignee: Wells Fargo Equipment Finance Company
36. GE VFS Canada Limited Partnership	Bondfield Construction Company Limited	706697766 – 20150602 1745 5064 3877 (5 years)	Equipment	Account Schedule- 9814220001	
37. GE Canada Asset Financing Holding Company	Bondfield Construction Company Limited	706088421 – 20150513 1959 5064 3117 (7 years)	Equipment	Account Schedule- 9811431001	
38. Bank of Montreal, as Administrative Agent	Bondfield Construction Company Limited	702960552 – 20150114 1155 1902 5830 (7 years)	Accounts, Other	Pledge of all of the shares of 2442931 Ontario Inc. owned/held by the debtor and all contracts and related rights assigned to the secured party pursuant to an assignment of material documents dated on or about January 22, 2015.	
39. CWB NL Financial Inc.	Bondfield Construction Company Limited	701578692 – 20141114 1404 1462 3886 (6 years)	Equipment, Other, Motor Vehicles, 2015 Kenworth T880, VIN listed	One 2015 Kenworth T880 erial (<i>sic</i>) Number 1NKZLP0X9FJ974131. Together with any and all present and future acquired parts, attachments, accessories, accessions, additions,	<u>Assigned by 20180227 1004 1462 6208</u> Assignor: Element Financial Corporation

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				substitutions, improvements, repair and replacement parts and other equipment placed on or forming part of the goods described herein and any proceeds thereof and therefrom including, without limitation, any and all proceeds in any form derived directly or indirectly from any sale and or dealings with the collateral or proceeds thereof and without limitation, money, cheques, deposits in deposit taking institutions, goods, accounts receivable, rents or other payments arising from the lease of the collateral, including all goods, securities, instruments, documents of title, chattel paper, intangibles (as defined in the <i>Personal Property Security Act</i>), rights of insurance payments or any other payment as indemnity or compensation for loss or damage to the collateral or proceeds of the collateral.	Assignee: CWB NL Financial Inc.
40. Ford Credit Canada Limited	Bondfield Construction Company Limited	701455599 – 20141110 1949 1531 1287 (4 years)	Equipment, Other, Motor Vehicles, 2014 Ford F150, VIN listed		
41. The Toronto-Dominion Bank, as Administrative Agent	Bondfield Construction Company Limited	701057322 – 20141028 1803 1590 2706 (7 years)	Accounts, Other	Pledge of all of the shares of 2433485 Ontario Inc. owned/held by the debtor and all contracts and related rights assigned to the secured party by the debtor pursuant to an assignment of material documents dated on or about November 7, 2014 (including proceeds thereof).	
42. Caisse Centrale Desjardins, as	Bondfield Construction Company Limited	700328079 – 20141001 1622 1590 1295 (7 years)	Accounts, Other	Pledge of all of the shares of 2433486 Ontario Inc. owned/held by the debtor and all contracts and related rights	

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
Administrative Agent				assigned to the secured party pursuant to an assignment of material documents dated on or about October 6, 2014	
43. Bank of Montreal, as Administrative Agent	Bondfield Construction Company Limited	699091983 – 20140820 1427 1590 8670 (7 years)	Accounts, Other	Pledge of all of the shares of 2423402 Ontario Inc. owned/held by the debtor and all contracts and related rights assigned to the secured party by the debtor pursuant to an assignment of material documents dated on or about August 28, 2014 (including proceeds thereof).	
44. The Toronto-Dominion Bank, as Administrative Agent	Bondfield Construction Company Limited	698767677 – 20140808 1608 1590 8013 (7 years)	Accounts, Other	Pledge of all of the shares of 2423403 Ontario Inc. owned/held by the debtor and all contracts and related rights assigned to the secured party by the debtor pursuant to an assignment of material documents (including proceeds thereof).	
45. GE Canada Equipment Financing G.P. (9755530001) RS	Bondfield Construction Company Limited	696165624 – 20140515 1006 2078 2691 (5 years)	Equipment	T650 IT4 2014 Bobcat Compact Excavator A3P018995 T870 2014 Bobcat Compact Excavator A3PG13082 E50 2013 Bobcat Compact Excavator AG3N14163 the goods described herein, wherever situated, and all present and after-acquired intellectual property, intangibles, attachments, accessories and accessions thereto and spare parts, replacements, substitutions, exchanges and trade-ins therefor, and all rights, receivables and chattel paper derived from or evidencing the lease or rental thereof by the debtor to third parties, and all proceeds relating thereto. Proceeds? (sic) all of the debtor?s (sic) present and after-acquired personal	

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
				property which is derived directly or indirectly from any dealing with or disposition of the above-described collateral, including, without limiting the generality of the foregoing, all insurance and other payments payable as indemnity or compensation for loss or damage thereto and all chattel paper, documents of title, goods, instruments, intangibles, money and securities.	
46. Wells Fargo Equipment Finance Company	Bondfield Construction Company Limited	696041298 – 20140512 0935 2078 2668 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles, 7x2014 Kubota Grand Solar, VINs listed		<u>Assigned by 20170214 1146 5064 7304</u> Assignor: GE Canada Equipment Financing G.P. (97540100011) RS Assignee: Wells Fargo Equipment Finance Company

(b) Bondfield Construction Company (1983) Limited - File Currency: November 6, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. GM Financial Canada Leasing Ltd.	Bondfield Construction Company (1983) Limited Steven Aquino DOB: 01FEB1977	729309636 - 20170629 1933 1531 9723 (3 years)	Consumer Goods, Equipment, Other, Motor Vehicles, Amount Secured: \$106,511, Date of Maturity: 27JUN2020, 2017 Cadillac Escalade ESV AWD, VIN listed		
2. Ford Credit Canada Limited	Bondfield Construction Company (1983) Limited	717480873 – 20160608 1938 1530 0426 (6 years)	Equipment, Other, Motor Vehicles, 2016 Ford F150, VIN listed		
3. Ford Credit	Bondfield Construction	707597775 –	Equipment, Other,		

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
Canada Limited	Company (1983) Limited	20150630 1441 1530 7567 (4 years)	Motor Vehicles, 2015 Ford F150, VIN listed		
4. Ford Credit Canada Limited	Bondfield Construction Company (1983) Limited	707550705 – 20150629 1439 1530 6842 (4 years)	Equipment, Other, Motor Vehicles, 2015 Ford F150, VIN listed		
5. Ford Credit Canada Limited	Bondfield Construction Company (1983) Limited	707487012 – 20150626 1041 1529 1549 (4 years)	Equipment, Other, Motor Vehicles, 2015 Ford F150, VIN listed		
6. Mercedes-Benz Financial Services Canada Corporation Mercedes-Benz Financial	Bondfield Construction Company (1983) Limited	704316168 – 20150317 1945 1531 1146 (4 years)	Consumer Goods, Equipment, Other, Motor Vehicles, Amount Secured: \$73,275, Date of Maturity: 10MAR2019, 2014 Mercedes-Benz ML350BT4M, VIN listed		

(c) **Bondfield- File Currency: November 7, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
There were no registrations disclosed					

11. PERSONAL PROPERTY SECURITY ACT (Ontario) - 1033803 ONTARIO INC.

(a) 1033803 Ontario Inc. - File Currency: November 6, 2018

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Travelers Guarantee Company of Canada	1033803 Ontario Inc.	743577714 - 20180910 1600 1862 1886 (10 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
2. Zurich Insurance Company Ltd	Bondfield Construction Company Limited 1428508 Ontario Limited 2032686 Ontario Limited BMC Masonry 1087507 Ontario Limited 1033803 Ontario Inc. 352021 Ontario Limited 950504 Ontario Inc. 1291546 Ontario Inc. 1291547 Ontario Inc. Bondfield Construction Equipment Ltd. Bondfield Management Inc. 2002960 Ontario Limited 834076 Ontario Inc. B.B.M. Excavation Company Limited BRC Restoration Inc. Terranata Developments Inc. Bondfield Group Inc. Forma-Con Construction Ralph Aquino DOB: 19MAY1943 Raffaele Aquino	739415394 - 20180516 1011 1862 3194 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		<u>Amended by 20180727 1558 1862 8889</u> Amendment to include "Forma-Con Construction", "Ralph Aquino", "Raffaele Aquino", "John Aquino" and "Steven Aquino" as additional debtor names

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
	DOB: 19MAY1943 John Aquino DOB: 05APR1972 Steven Aquino DOB: 01FEB1977				
3. FF Supply LLC dba Zenith Insured Credit	1033803 Ontario Inc. Forma-Con Construction Forma Finishing	738548514 - 20180424 0922 1590 8362 (5 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		
4. Bridging Finance Inc., as Agent	1033803 Ontario Inc.	729940689 - 20170718 1524 1590 8437 (3 years)	Inventory, Equipment, Accounts, Other, Motor Vehicles		

(b) **Forma-Con Construction - File Currency: November 6, 2018** (*the following are only those registrations not disclosed previously by the search conducted against "1033803 Ontario Inc."*)

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
1. Demelo's Construction Equipment Ltd.	Forma-Con Construction	737726256 – 20180329 1110 2372 0021 (1 year) Registered under the <i>Repair and Storage Liens Act</i>	<i>(no collateral classification included)</i> Amount Secured: \$9,854, 2005 Genie GTH-844, VIN listed	Telehandler repairs - Genie GTH-844/GTH0808A-13006 totalling? (<i>sic</i>) \$9854.74	

(c) **Forma Finishing- File Currency: November 6, 2018**

Secured Party(ies)	Debtor(s)	Reference File No. & Registration Number (Registration Period)	Collateral Classification	General Collateral Description	Amendments/Assignments Discharges/Renewals Transfers/Subordinations
There were no registrations disclosed aside from those disclosed previously by the search conducted against "1033803 Ontario Inc."					

K

LAND
REGISTRY
OFFICE #65

03276-0174 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:06:39

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

PROPERTY DESCRIPTION: PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331 ; S/T LT579695 VAUGHAN

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1997/04/07

OWNERS' NAMES
AQUINO, RALPH

CAPACITY SHARE
BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/04/07 ON THIS PIN						
WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/04/07						
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/04/04 **						
VA41945	1959/05/22	BYLAW				C
REMARKS: LN03141, LB237508 AFFECTS ALL/PART VARIOUS LANDS (ADDED 98/01/26 BY B.WILLSON, ADLR) BY-LAW 2298						
LT369951	1987/04/02	NO SUB AGREEMENT			THE CORPORATION OF THE TOWN OF VAUGHAN	C
LT534810	1988/11/14	NOTICE			THE CORPORATION OF THE TOWN OF VAUGHAN	C
65R13078	1989/04/18	PLAN REFERENCE				C
LT579695	1989/05/02	TRANSFER EASEMENT			VAUGHAN HYDRO-ELECTRIC COMMISSION	C
CORRECTIONS: 'DATE OF REGN.' CHANGED FROM '1996/01/05' TO '1989/05/02' ON 1997/07/18 BY JOAN YOUNG.						
LT590175Z	1989/06/12	APL ANNEX REST COV		*** DELETED AGAINST THIS PROPERTY ***		
LT590332Z	1989/06/12	APL ANNEX REST COV		*** COMPLETELY DELETED ***		
LT5ERR0334	1989/06/12	NO OPTION PURCHASE		*** COMPLETELY DELETED ***		
REMARKS: LT590334 -ERROR ENTRY, CANCELLED BYSHEILA HOULAHAN ON 1998/11/17						
LT590334	1989/06/12	NOTICE AGREEMENT		*** COMPLETELY DELETED *** YORK JANE DEVELOPMENTS INC.		
REMARKS: INST TYPE AMENDED 98/11/17. SH.						
LT608918	1989/08/18	TRANSFER	\$800,898		AQUINO, RALPH	C
LT1077052	1995/12/18	CHARGE		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #65

03276-0174 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:06:39

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
LT1440714	1999/12/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** LONDON GUARANTEE INSURANCE COMPANY	LONDON GUARANTEE INSURANCE COMPANY	
	REMARKS: RE: LT1077052					
LT1440977	1999/12/30	CHARGE		*** COMPLETELY DELETED *** AQUINO, RALPH	ROYAL BANK OF CANADA	
LT1440978	1999/12/30	NOTICE		*** COMPLETELY DELETED *** AQUINO, RALPH	ROYAL BANK OF CANADA	
	REMARKS: LT1440977 - RENTS					
LT1440979	1999/12/30	NOTICE OF LEASE		*** COMPLETELY DELETED *** AQUINO, RALPH	GRAYON INDUSTRIAL PRODUCTS INC. AND ERGO LIFT SYSTEMS	
LT1440980	1999/12/30	NOTICE		*** COMPLETELY DELETED *** AQUINO, RALPH	ROYAL BANK OF CANADA	
	REMARKS: ASSIGN LESSORS INTEREST IN LT1440979					
YR53219	2001/09/26	CHARGE		*** COMPLETELY DELETED *** AQUINO, RALPH	THE BANK OF NOVA SCOTIA	
YR85085	2001/12/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
	REMARKS: RE: LT1440977					
YR721765	2005/10/27	CHARGE		*** COMPLETELY DELETED *** AQUINO, RALPH	THE BANK OF NOVA SCOTIA	
YR722938	2005/10/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	REMARKS: RE: YR53219					
YR1288246	2009/02/23	APL DELETE REST		*** COMPLETELY DELETED ***	AQUINO, RALPH	
	REMARKS: RE: LT590332Z					
YR1288247	2009/02/23	APL (GENERAL)		*** COMPLETELY DELETED *** AQUINO, RALPH		
	REMARKS: DELETE LT1440980					
YR1288248	2009/02/23	APL (GENERAL)		*** COMPLETELY DELETED ***		

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

LAND
REGISTRY
OFFICE #65

03276-0174 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:06:39

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
		<i>REMARKS: DELETE LT590334, EXPIRED 99/06/12</i>		AQUINO, RALPH		
YR1288249	2009/02/23	APL (GENERAL)		*** COMPLETELY DELETED *** AQUINO, RALPH		
		<i>REMARKS: DELETE LT1440979</i>				
YR1314626	2009/05/08	APL DELETE REST		*** COMPLETELY DELETED ***	AQUINO, RALPH	
		<i>REMARKS: RE: LT590175Z</i>				
YR1315524	2009/05/12	CHARGE		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
YR1315525	2009/05/12	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
		<i>REMARKS: YR1315524</i>				
YR1317821	2009/05/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
		<i>REMARKS: RE: YR721765</i>				
YR2118385	2014/04/23	CHARGE		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
YR2118397	2014/04/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
		<i>REMARKS: YR2118385.</i>				
YR2220061	2014/11/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
		<i>REMARKS: YR1315524.</i>				
YR2706715	2017/07/25	CHARGE	\$90,000,000	AQUINO, RALPH	BRIDGING FINANCE INC.	C
YR2706716	2017/07/25	NO ASSGN RENT GEN		AQUINO, RALPH	BRIDGING FINANCE INC.	C
		<i>REMARKS: YR2706715.</i>				
YR2715887	2017/08/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
		<i>REMARKS: YR2118385.</i>				

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

PROPERTY DESCRIPTION: PCL 1-1 SEC 65M3040; LT 1 PL 65M3040; S/T LT1059554 ; S/T LT1055473 VAUGHAN

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1997/04/07

OWNERS' NAMES
1033803 ONTARIO INC.

CAPACITY SHARE
BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/04/07 ON THIS PIN** **WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/04/07** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/04/04 **</p>						
VA41945	1959/05/22	BYLAW				C
<p>REMARKS: LN03141, LB237508 AFFECTS ALL/PART VARIOUS LANDS (ADDED 98/01/26 BY B.WILLSON, ADLR) BY-LAW 2298</p>						
LT1020936	1995/01/09	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF VAUGHAN	C
LT1042961	1995/06/21	NO SUB AGREEMENT			THE CORPORATION OF THE CITY OF VAUGHAN	C
65R17961	1995/08/15	PLAN REFERENCE				C
LT1055473	1995/08/24	TRANSFER EASEMENT			VAUGHAN HYDRO-ELECTRIC COMMISSION	C
LT1058259Z	1995/09/06	APL ANNEX REST COV				C
LT1059554	1995/09/14	TRANSFER	\$477,802		1033803 ONTARIO INC.	C
LT1059555Z	1995/09/14	APL ANNEX REST COV				C
LT1440946	1999/12/30	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	ROYAL BANK OF CANADA	
LT1440947	1999/12/30	NOTICE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	ROYAL BANK OF CANADA	
<p>REMARKS: LT1440946 - RENTS</p>						
LT1440948	1999/12/30	NOTICE OF LEASE		1033803 ONTARIO INC.	BONDFIELD CONSTRUCTION COMPANY LIMITED	C
LT1440949	1999/12/30	NOTICE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	ROYAL BANK OF CANADA	
<p>REMARKS: ASSIGN LESSORS INTEREST IN LT1440948</p>						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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LAND
REGISTRY
OFFICE #65

03272-0071 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:16:46

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR53216	2001/09/26	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	THE BANK OF NOVA SCOTIA	
YR85100	2001/12/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
	REMARKS: RE: LT1440946					
YR721790	2005/10/27	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	THE BANK OF NOVA SCOTIA	
YR722952	2005/10/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	REMARKS: RE: YR53216					
YR1315519	2009/05/12	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
YR1315520	2009/05/12	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
	REMARKS: YR1315519					
YR1317822	2009/05/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	REMARKS: RE: YR721790					
YR2118384	2014/04/23	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
YR2118396	2014/04/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
	REMARKS: YR2118384.					
YR2220059	2014/11/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
	REMARKS: YR1315519.					
YR2706717	2017/07/25	CHARGE	\$90,000,000	1033803 ONTARIO INC.	BRIDGING FINANCE INC.	C
YR2706718	2017/07/25	NO ASSGN RENT GEN		1033803 ONTARIO INC.	BRIDGING FINANCE INC.	C
	REMARKS: YR2706717.					
YR2715888	2017/08/11	DISCH OF CHARGE		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
	REMARKS: YR2118384.			NATIONAL BANK OF CANADA		

LAND
REGISTRY
OFFICE #43

14209-1704 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:18:10

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

PROPERTY DESCRIPTION: PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 14209-0825

PIN CREATION DATE:

2012/09/24

OWNERS' NAMES

1033803 ONTARIO INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2012/09/24 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1998/12/22 **						
RO1041913	1993/06/30	TRANSFER	\$1,387,500		1033803 ONTARIO INC.	C
RO1105356	1995/12/18	CHARGE	\$1,387,500		AQUINO, RALPH	C
PR137569	2001/09/13	APL (GENERAL)		1033803 ONTARIO INC.		C
REMARKS: AMENDS DESCRIPTION IN NO. RO1041913, RO1105355 & RO1105356						
PR713076	2004/09/03	NOTICE	\$2	THE CORPORATION OF THE CITY OF BRAMPTON		C
43R29544	2004/10/18	PLAN REFERENCE				C
43R30931	2006/08/10	PLAN REFERENCE				C
43R31898	2007/11/14	PLAN REFERENCE				C
PR1385008	2007/12/05	TRANSFER EASEMENT	\$2	1033803 ONTARIO INC.	THE REGIONAL MUNICIPALITY OF PEEL	C

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REGISTRY
OFFICE #43

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
PR1385010	2007/12/05	POSTPONEMENT <i>REMARKS: RO1105356 TO PR1385008</i>		AQUINO, RALPH	THE REGIONAL MUNICIPALITY OF PEEL	C
PR1385011	2007/12/05	TRANSFER EASEMENT	\$29,475	1033803 ONTARIO INC.	HYDRO ONE BRAMPTON NETWORKS INC.	C
PR1385013	2007/12/05	POSTPONEMENT <i>REMARKS: RO1105356 TO PR1385011</i>		AQUINO, RALPH	HYDRO ONE BRAMPTON NETWORKS INC.	C
PR1637954	2009/05/12	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
PR1637955	2009/05/12	NO ASSGN RENT GEN <i>REMARKS: PR1637954</i>		*** DELETED AGAINST THIS PROPERTY *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
PR1637992	2009/05/12	POSTPONEMENT <i>REMARKS: RO1105356 TO PR1637954</i>		*** DELETED AGAINST THIS PROPERTY *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
PR1637994	2009/05/12	POSTPONEMENT <i>REMARKS: RO1105356 TO PR1637955</i>		*** DELETED AGAINST THIS PROPERTY *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
43R34750	2012/07/18	PLAN REFERENCE				C
PR2261758	2012/09/06	TRANSFER EASEMENT	\$2	1033803 ONTARIO INC.	THE REGIONAL MUNICIPALITY OF PEEL	C
PR2261759	2012/09/06	POSTPONEMENT <i>REMARKS: RO1105356 TO PR2261758</i>		AQUINO, RALPH	THE REGIONAL MUNICIPALITY OF PEEL	C
PR2261760	2012/09/06	POSTPONEMENT <i>REMARKS: PR1637954 TO PR2261758</i>		*** DELETED AGAINST THIS PROPERTY *** NATIONAL BANK OF CANADA	THE REGIONAL MUNICIPALITY OF PEEL	
PR2264402	2012/09/12	NOTICE	\$2	THE CORPORATION OF THE CITY OF BRAMPTON		C
PR2264436	2012/09/12	TRANSFER EASEMENT	\$2	1033803 ONTARIO INC.	HYDRO ONE BRAMPTON NETWORKS INC.	C
PR2264437	2012/09/12	POSTPONEMENT <i>REMARKS: RO1105356 TO PR2264436</i>		AQUINO, RALPH	HYDRO-ONE BRAMPTON INC.	C
PR2264438	2012/09/12	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** NATIONAL BANK OF CANADA	HYDRO-ONE BRAMPTON INC.	

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LAND
REGISTRY
OFFICE #43

14209-1704 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:18:10

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		<i>REMARKS: PR1637954 TO PR2264436</i>				
PR2524681	2014/04/23	CHARGE		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
PR2524689	2014/04/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1033803 ONTARIO INC.	NATIONAL BANK OF CANADA	
		<i>REMARKS: PR2524681.</i>				
PR2524692	2014/04/23	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
		<i>REMARKS: RO1105356 TO PR2524681</i>				
PR2524693	2014/04/23	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
		<i>REMARKS: RO1105356 TO PR2524689</i>				
PR2636153	2014/11/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
		<i>REMARKS: PR1637954.</i>				
PR3170291	2017/07/25	CHARGE	\$90,000,000	1033803 ONTARIO INC.	BRIDGING FINANCE INC.	C
PR3170292	2017/07/25	NO ASSGN RENT GEN		1033803 ONTARIO INC.	BRIDGING FINANCE INC.	C
		<i>REMARKS: PR3170291.</i>				
PR3170293	2017/07/25	POSTPONEMENT		AQUINO, RALPH	BRIDGING FINANCE INC.	C
		<i>REMARKS: RO1105356 TO PR3170291</i>				
PR3170294	2017/07/25	POSTPONEMENT		AQUINO, RALPH	BRIDGING FINANCE INC.	C
		<i>REMARKS: RO1105356 TO PR3170292</i>				
PR3181799	2017/08/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
		<i>REMARKS: PR2524681.</i>				

LAND
REGISTRY
OFFICE #65

03725-0367 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:19:19

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

PROPERTY DESCRIPTION: PT LOT 35 CON 6 MARKHAM AS IN R643215 EXCEPT PT 1, EXPROP PL YR1315253. S/T MA23836 IF ANY ; WHITCHURCH-STOUFFVILLE.

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 03725-0077

PIN CREATION DATE:

2009/05/12

OWNERS' NAMES

1087507 ONTARIO LIMITED

CAPACITY SHARE

BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2009/05/12 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1999/11/22 **						
MA23836	1943/08/26	TRANSFER EASEMENT			THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO	C
REMARKS: SKETCH ATTACHED.						
R367196	1985/04/22	AGREEMENT			TOWN OF WHITCHURCH-STOUFFVILLE	C
R412432	1986/10/10	AGREEMENT			TOWN OF WHITCHURCH-STOUFFVILLE	C
REMARKS: SITE PLAN						
R643215	1994/07/08	TRANSFER	\$645,000		1087507 ONTARIO LIMITED	C
R670518	1995/12/18	CHARGE	\$1,413,723		AQUINO, RALPH	C
YR700115	2005/09/14	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: MULTI - PICKERING AIRPORT SITE ZONING REGULATIONS						
YR721828	2005/10/27	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1087507 ONTARIO LIMITED	THE BANK OF NOVA SCOTIA	

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LAND
REGISTRY
OFFICE #65

03725-0367 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:19:19

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR721848	2005/10/27	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** AQUINO, RALPH	THE BANK OF NOVA SCOTIA	
	REMARKS: YR670518 TO YR721828					
YR1315745	2009/05/12	CHARGE		*** COMPLETELY DELETED *** 1087507 ONTARIO LIMITED	NATIONAL BANK OF CANADA	
YR1315746	2009/05/12	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1087507 ONTARIO LIMITED	NATIONAL BANK OF CANADA	
	REMARKS: YR1315745					
YR1315747	2009/05/12	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
	REMARKS: R670518 TO YR1315745					
YR1315748	2009/05/12	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
	REMARKS: R670518 TO YR1315746					
YR1317823	2009/05/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	REMARKS: RE: YR721828					
YR2118383	2014/04/23	CHARGE		*** COMPLETELY DELETED *** 1087507 ONTARIO LIMITED	NATIONAL BANK OF CANADA	
YR2118395	2014/04/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1087507 ONTARIO LIMITED	NATIONAL BANK OF CANADA	
	REMARKS: YR2118383.					
YR2118401	2014/04/23	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
	REMARKS: R670518 TO YR2118383					
YR2118402	2014/04/23	POSTPONEMENT		*** COMPLETELY DELETED *** AQUINO, RALPH	NATIONAL BANK OF CANADA	
	REMARKS: R670518 TO YR2118395					
YR2220060	2014/11/25	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		
	REMARKS: YR1315745.					
YR2706728	2017/07/25	CHARGE	\$90,000,000	1087507 ONTARIO LIMITED	BRIDGING FINANCE INC.	C

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REGISTRY
OFFICE #65

03725-0367 (LT)

PREPARED FOR Anthony01
ON 2018/11/08 AT 11:19:19

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2706729	2017/07/25	NO ASSGN RENT GEN <i>REMARKS: YR2706728.</i>		1087507 ONTARIO LIMITED	BRIDGING FINANCE INC.	C
YR2706730	2017/07/25	POSTPONEMENT <i>REMARKS: R670518 TO YR2706728</i>		AQUINO, RALPH	BRIDGING FINANCE INC.	C
YR2706731	2017/07/25	POSTPONEMENT <i>REMARKS: R670518 TO YR2706728</i>		AQUINO, RALPH	BRIDGING FINANCE INC.	C
YR2715889	2017/08/11	DISCH OF CHARGE <i>REMARKS: YR2118383.</i>		*** COMPLETELY DELETED *** NATIONAL BANK OF CANADA		

L

Bondfield Group of Companies

Cash Flow Summary

For the Period August 7 to October 26, 2018

(\$C; Unaudited)

DRAFT FOR DISCUSSION PURPOSES ONLY

	Note	Ref.	Bondfield	Ref.	Formacon	Ref.	BMC	Ref.	BBM	Total
Receipts										
Bonded Receipts	1		9,479,828	3	5,375,448	5	-	7	179,098	15,034,375
Non-Bonded Receipts	2		340,251	4	13,202,629	6	204,025	8	10,076	13,756,981
Intercompany Transfers In			-		-		2,956,000		1,017,283	3,973,283
Intercompany From Property Holdco			72,000		-		-		-	72,000
Funding from Zurich			17,500,000		-		-		-	17,500,000
Total Receipts			<u>27,392,079</u>		<u>18,578,077</u>		<u>3,160,025</u>		<u>1,206,457</u>	<u>50,336,639</u>
Project Disbursements										
Bonded										
Trade, Material & Supplier Disbursements	9		(12,199,322)	15	(1,108,164)	21	(1,103,717)	27	(371,004)	(14,782,206)
Payment of Priority Amounts - Arrears	10		(2,210,370)	16	(254,558)	22	(122,744)	28	-	(2,587,671)
Payroll, Benefits, Current Source Deductions and Union Dues	11		(5,326,542)	17	(3,142,463)	23	(1,393,743)	29	(954,250)	(10,816,998)
Total Bonded Disbursements			<u>(19,736,234)</u>		<u>(4,505,184)</u>		<u>(2,620,204)</u>		<u>(1,325,254)</u>	<u>(28,186,876)</u>
Non-Bonded										
Trade, Material & Supplier Disbursements	12		(711,752)	18	(2,262,261)	24	(133,518)	30	-	(3,107,530)
Payment of Priority Amounts - Arrears	13		(8,915)	19	(739,665)	25	(21,285)	31	-	(769,866)
Payroll, Benefits, Current Source Deductions and Union Dues	14		(261,623)	20	(9,260,787)	26	(299,345)	32	(1,781)	(9,823,536)
Total Non-Bonded Disbursements			<u>(982,289)</u>		<u>(12,262,713)</u>		<u>(454,149)</u>		<u>(1,781)</u>	<u>(13,700,932)</u>
Total Project Disbursements			<u>(20,718,523)</u>		<u>(16,767,897)</u>		<u>(3,074,353)</u>		<u>(1,327,035)</u>	<u>(41,887,808)</u>
Unallocated Overhead	A		<u>(175,623)</u>	G	<u>(38,627)</u>	M	<u>(1,062)</u>	S	<u>-</u>	<u>(215,312)</u>
Marketing and Estimator Staff Payroll			<u>(219,361)</u>		<u>-</u>		<u>-</u>		<u>-</u>	<u>(219,361)</u>
Other Disbursements - General, Admin, Overhead (unallocated) (A)										
Payroll, Benefits, Source Deductions	B		(1,180,928)	H	(376,945)	N	(124,172)	T	-	(1,682,046)
General and unallocated operating expenses	C		(1,174,167)	I	(79,735)	O	(4,499)	U	(89,083)	(1,347,483)
Payment of Priority Amounts - Arrears	D		(640)	J	(4,090)	P	(2,985)	V	-	(7,715)
Equipment Leases and Other Pre-Authorized Payments	E		(223,019)	K	(1,866)	Q	-	W	(14,058)	(238,943)
Professional Fees	F		(196,203)	L	-	R	-	X	-	(196,203)
Total Other Disbursements			<u>(2,774,956)</u>		<u>(462,636)</u>		<u>(131,656)</u>		<u>(103,141)</u>	<u>(3,472,390)</u>
Intercompany Transfers Out			<u>(3,598,283)</u>		<u>(375,000)</u>		<u>-</u>		<u>-</u>	<u>(3,973,283)</u>
Total Disbursements			<u>(27,486,746)</u>		<u>(17,644,160)</u>		<u>(3,207,071)</u>		<u>(1,430,176)</u>	<u>(49,768,154)</u>
Net Cash Flow			<u>(94,667)</u>		<u>933,916</u>		<u>(47,046)</u>		<u>(223,718)</u>	<u>568,485</u>
Bank Balances										
Beginning Bank Balance			1,669,115		362,949		268,797		294,787	2,595,648
Net Cash Flow			- 94,667		933,916		(47,046)		(223,718)	568,485
Ending Bank Balance			<u>1,574,448</u>		<u>1,296,866</u>		<u>221,751</u>		<u>71,068</u>	<u>3,164,133</u>
Ending Bank Balance - per bank statement			<u>1,611,288</u>		<u>1,275,462</u>		<u>221,724</u>		<u>66,111</u>	<u>3,174,586</u>
Unreconciled Ending Bank Balance			<u>(36,841)</u>		<u>21,403</u>		<u>27</u>		<u>4,957</u>	<u>- 10,453</u>

General Note: The above summary is prepared based on information provided by the Bondfield Group of reports generated from Bondfield's accounting system. While we have reviewed the information contained herein, we have not conducted an audit or formal review and express no opinion or other form of assurance in respect of the information contained herein. The allocation of certain receipt and disbursements is subject to review by the Company and its stakeholders and may need to be amended subject to the results of such review and the finalization of an intercreditor agreement between Zurich and Bridging.

Notes:

(A) This reflects the legal entity that paid the overhead. See allocation between bonded and non-bonded projects on following page

Bondfield Group of Companies**DRAFT FOR DISCUSSION PURPOSES ONLY**

Summary of Bonded and Non-Bonded Net Cash Flow

For the Period August 7 to October 26, 2018

	Note	Bonded	Non-Bonded	Total
Receipts from Customers		15,034,375	13,756,981	28,791,356
Intercompany from Property Holdco		-	72,000	72,000
		<u>15,034,375</u>	<u>13,828,981</u>	<u>28,863,356</u>
Disbursements				
Allocated Disbursements		(28,186,876)	(13,700,932)	(41,887,808)
Unallocated Disbursements	(A)	(181,374)	(33,939)	(215,312)
Allocated General, Administration and Overhead	(A)	(2,925,055)	(547,335)	(3,472,390)
Allocated Marketing and Estimator Staff Overhead	(B)	(109,680)	(109,680)	(219,361)
Total Disbursements		<u>(31,402,985)</u>	<u>(14,391,886)</u>	<u>(45,794,871)</u>
Net Cash Flow From Operations		(16,368,611)	(562,905)	(16,931,515)
Funding from Zurich		17,500,000	-	17,500,000
Net Cash Flow		<u>1,131,389</u>	<u>(562,905)</u>	<u>568,485</u>

Notes:

(A) Allocated based on estimated revenue left to bill as at August 31, 2018.

(B) Marketing and estimator payroll is allocated to bonded and non-bonded cash flow on a 50/50 basis.

Bondfield Group of Companies
For the Period August 7 to October 26, 2018

DRAFT FOR DISCUSSION PURPOSES ONLY

	Ref.	2 WE 17-Aug	WE 24-Aug	WE 31-Aug	WE 07-Sep	WE 14-Sep	WE 21-Sep	WE 28-Sep	2 WE 12-Oct	2 WE 26-Oct	Total
DISBURSEMENTS											
BCCL											
Bonded											
Estimated Trade, Material & Supplier Disbursements	9	(520,240)	(75,510)	(18,547)	(24,239)	(88,296)	(100,027)	(873,331)	(2,860,991)	(7,638,141)	(12,199,322)
Payment of Priority Amounts - Arrears	10	-	(146,199)	(146,199)	-	-	-	-	(38,986)	(1,878,986)	(2,210,370)
Payroll, Benefits, Current Source Deductions and Union Dues	11	(849,345)	(541,306)	(431,389)	(273,673)	(336,741)	(287,419)	(394,425)	(1,054,163)	(1,158,081)	(5,326,542)
Total BCCL Bonded Project Disbursements		(1,369,585)	(763,015)	(596,134)	(297,912)	(425,037)	(387,446)	(1,267,756)	(3,954,140)	(10,675,208)	(19,736,234)
Non-Bonded											
Estimated Trade, Material & Supplier Disbursements	12	-	(54)	-	-	(2,350)	(257,722)	(134)	(12,880)	(438,612)	(711,752)
Payment of Priority Amounts - Arrears	13	-	(3,519)	(3,519)	-	-	-	-	(938)	(938)	(8,915)
Payroll, Benefits, Current Source Deductions and Union Dues	14	(32,875)	(19,607)	(19,261)	(10,611)	(8,593)	(4,850)	(92,390)	(36,620)	(36,815)	(261,623)
Total BCCL Non-Bonded Project Disbursements		(32,875)	(23,180)	(22,780)	(10,611)	(10,944)	(262,572)	(92,524)	(50,438)	(476,365)	(982,289)
Unallocated Overhead	A	(14,147)	(8,136)	-	(59,949)	-	-	-	(3,520)	(89,871)	(175,623)
Marketing and Estimator Staff Payroll		(39,884)	(19,942)	(19,942)	(19,942)	(19,942)	(19,942)	(19,942)	(39,884)	(19,942)	(219,361)
Other - General, Admin, Overhead											
Payroll, Benefits, Source Deductions	B	(167,813)	(84,332)	(77,812)	(80,411)	(81,979)	(103,491)	(103,985)	(238,251)	(242,854)	(1,180,928)
General and unallocated operating expenses	C	(277,726)	(38,927)	(16,698)	(21,726)	(84,903)	(43,343)	-	(365,346)	(325,498)	(1,174,167)
Payment of Priority Amounts - Arrears	D	-	(282)	(282)	-	-	-	-	(75)	-	(640)
Equipment Leases and Other Pre-Authorized Payments	E	(24,619)	(8,744)	(3,272)	(26,780)	(5,403)	(8,849)	(123,007)	(15,440)	(6,904)	(223,019)
Professional Fees	F	(196,203)	-	-	-	-	-	-	-	-	(196,203)
		(666,361)	(132,286)	(98,065)	(128,917)	(172,284)	(155,683)	(226,992)	(619,112)	(575,257)	(2,774,956)
Total BCCL Disbursements		(2,122,852)	(946,558)	(736,921)	(517,331)	(628,206)	(825,643)	(1,607,214)	(4,667,094)	(11,836,643)	(23,888,463)
Formacon											
Bonded											
Estimated Trade, Material & Supplier Disbursements	15	(53,860)	(81,266)	-	(6,961)	-	(511,009)	(99,801)	(296,504)	(58,762)	(1,108,164)
Payment of Priority Amounts - Arrears	16	-	(63,639)	(127,279)	-	-	-	-	(63,639)	-	(254,558)
Payroll, Benefits, Current Source Deductions and Union Dues	17	(358,173)	(510,601)	(179,866)	(121,802)	(148,073)	(164,407)	(641,255)	(337,559)	(680,727)	(3,142,463)
Total Formacon Bonded Project Disbursements		(412,033)	(655,507)	(307,145)	(128,762)	(148,073)	(675,415)	(741,057)	(697,703)	(739,489)	(4,505,184)
Non-bonded											
Estimated Trade, Material & Supplier Disbursements	18	(780,609)	(426,269)	(20,700)	(7,270)	-	(56,396)	(253,007)	(563,516)	(154,493)	(2,262,261)
Payment of Priority Amounts - Arrears	19	-	(184,673)	(369,347)	-	-	-	-	(185,645)	-	(739,665)
Payroll, Benefits, Current Source Deductions and Union Dues	20	(999,222)	(1,422,551)	(528,845)	(377,184)	(366,789)	(481,635)	(1,324,597)	(1,456,884)	(2,303,079)	(9,260,787)
Total Formacon Non-Bonded Project Disbursements		(1,779,832)	(2,033,493)	(918,893)	(384,454)	(366,789)	(538,031)	(1,577,604)	(2,206,045)	(2,457,572)	(12,262,713)
Unallocated Overhead	G	(16,600)	-	(360)	-	(1,047)	(10,627)	-	-	(9,993)	(38,627)
Other - General, Admin, Overhead											
Payroll, Benefits, Source Deductions	H	(54,049)	(37,547)	(29,132)	(32,337)	(21,867)	(33,935)	(32,055)	(41,478)	(94,546)	(376,945)
General and unallocated operating expenses	I	(9,495)	(52,532)	-	(1,533)	(4,737)	(962)	-	(622)	(9,854)	(79,735)
Payment of Priority Amounts - Arrears	J	-	(715)	(3,375)	-	-	-	-	-	-	(4,090)
Equipment Leases and Other Pre-Authorized Payments	K	-	-	-	-	-	(1,866)	-	-	-	(1,866)
Professional Fees	L	-	-	-	-	-	-	-	-	-	-
		(63,544)	(90,794)	(32,507)	(33,870)	(26,604)	(36,763)	(32,055)	(42,099)	(104,400)	(462,636)
Total Formacon Disbursements		(2,272,009)	(2,779,794)	(1,258,904)	(547,087)	(542,514)	(1,260,837)	(2,350,715)	(2,945,847)	(3,311,454)	(17,269,160)
BMC											
Bonded											
Estimated Trade, Material & Supplier Disbursements	21	(19,775)	-	-	-	-	-	(243,262)	(497,086)	(343,594)	(1,103,717)
Payment of Priority Amounts - Arrears	22	(61,372)	(61,372)	-	-	-	-	-	-	-	(122,744)
Payroll, Benefits, Current Source Deductions and Union Dues	23	(136,165)	(95,756)	(97,792)	(65,232)	(55,559)	(75,944)	(105,132)	(242,248)	(519,915)	(1,393,743)
Total BMC Bonded Project Disbursements		(217,312)	(157,129)	(97,792)	(65,232)	(55,559)	(75,944)	(348,394)	(739,334)	(863,509)	(2,620,204)
Non-bonded											

Bondfield Group of Companies
For the Period August 7 to October 26, 2018

DRAFT FOR DISCUSSION PURPOSES ONLY

	Ref.	2 WE 17-Aug	WE 24-Aug	WE 31-Aug	WE 07-Sep	WE 14-Sep	WE 21-Sep	WE 28-Sep	2 WE 12-Oct	2 WE 26-Oct	Total
Estimated Trade, Material & Supplier Disbursements	24	(2,410)	-	-	-	-	-	132	(128,287)	(2,953)	(133,518)
Payment of Priority Amounts - Arrears	25	(10,643)	(10,643)	-	-	-	-	-	-	-	(21,285)
Payroll, Benefits, Current Source Deductions and Union Dues	26	(30,381)	(21,162)	(19,419)	(13,278)	(12,591)	-	(21,441)	(83,882)	(97,190)	(299,345)
Total BMC Non-Bonded Project Disbursements		(43,433)	(31,805)	(19,419)	(13,278)	(12,591)	-	(21,309)	(212,170)	(100,144)	(454,149)
Unallocated Overhead	M	-	-	-	-	-	-	-	-	(1,062)	(1,062)
Other - General, Admin, Overhead											
Payroll, Benefits, Source Deductions	N	(27,718)	(12,065)	(2,761)	(2,173)	(2,390)	(3,964)	(5,331)	(17,028)	(50,742)	(124,172)
General and unallocated operating expenses	O	(638)	(300)	-	-	-	(549)	-	(3,010)	(2)	(4,499)
Payment of Priority Amounts - Arrears	P	-	(2,985)	-	-	-	-	-	-	-	(2,985)
Equipment Leases and Other Pre-Authorized Payments	Q	-	-	-	-	-	-	-	-	-	-
Professional Fees	R	-	-	-	-	-	-	-	-	-	-
		(28,356)	(15,350)	(2,761)	(2,173)	(2,390)	(4,513)	(5,331)	(20,038)	(50,744)	(131,656)
Total BMC Disbursements		(289,102)	(204,284)	(119,972)	(80,683)	(70,540)	(80,457)	(375,033)	(971,542)	(1,015,459)	(3,207,071)
BBM											
Bonded											
Estimated Trade, Material & Supplier Disbursements	27	(15,182)	(19,056)	-	-	-	(52,196)	(101,684)	(84,522)	(98,363)	(371,004)
Payment of Priority Amounts - Arrears	28	-	-	-	-	-	-	-	-	-	-
Payroll, Benefits, Current Source Deductions and Union Dues	29	(192,990)	(41,498)	(44,762)	(46,383)	(42,243)	(40,352)	(304,825)	(151,947)	(89,249)	(954,250)
Total BBM Bonded Project Disbursements		(208,172)	(60,554)	(44,762)	(46,383)	(42,243)	(92,548)	(406,509)	(236,469)	(187,613)	(1,325,254)
Non-bonded											
Estimated Trade, Material & Supplier Disbursements	30	-	-	-	-	-	-	-	-	-	-
Payment of Priority Amounts - Arrears	31	-	-	-	-	-	-	-	-	-	-
Payroll, Benefits, Current Source Deductions and Union Dues	32	(552)	-	-	-	-	-	(1,187)	(43)	-	(1,781)
Total BBM Non-Bonded Project Disbursements		(552)	-	-	-	-	-	(1,187)	(43)	-	(1,781)
Unallocated Overhead	S	(4,957)	-	-	-	-	-	-	-	-	-
Other - General, Admin, Overhead											
Payroll, Benefits, Source Deductions	T	-	-	-	-	-	-	-	-	-	-
General and unallocated operating expenses	U	(74,730)	(7,201)	(1,141)	-	(3,726)	(142)	-	(1,246)	(895)	(89,083)
Payment of Priority Amounts - Arrears	V	-	-	-	-	-	-	-	-	-	-
Equipment Leases and Other Pre-Authorized Payments	W	(12,478)	-	-	-	-	(790)	-	(790)	-	(14,058)
Professional Fees	X	-	-	-	-	-	-	-	-	-	-
		(87,208)	(7,201)	(1,141)	-	(3,726)	(932)	-	(2,037)	(895)	(103,141)
Total BBM Disbursements		(300,889)	(67,755)	(45,903)	(46,383)	(45,969)	(93,481)	(407,696)	(238,548)	(188,508)	(1,430,176)
Total Disbursements		(4,984,852)	(3,998,392)	(2,161,700)	(1,191,483)	(1,287,230)	(2,260,417)	(4,740,659)	(8,823,030)	(16,352,064)	(45,794,871)

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Active Construction Liens as of November 6, 2018

Date Registered or Claimed	Project	Company	Amount	Lien/Notice or Delivered Claim for Lien
July 17, 2018	25 Grosvenor Co	Aqua Tek Mechanical Inc.	\$160,194.13	Notice of Lien
August 10, 2018	25 Grosvenor Co	Dali Local 675	\$25,000.00	Lien
August 23, 2018	25 Grosvenor Co	Partition Components Incorporated o/a PC350	\$63,800.00	Claim for Lien
September 13, 2018	25 Grosvenor Co	Platinum Insulation Inc	\$119,259.60	Lien
October 11, 2018	25 Grosvenor Co	Mircom Technologies Limited	\$28,471.20	Lien
July 19, 2018	Avondale	Triumph Roofing & Sheet Metal	\$677,184.09	Notice of Intent
September 18, 2018	Avondale	Exterior Wall Systems Limited (Ontario Panelization)	\$163,405.20	Lien
September 25, 2018	Avondale	774118 Ontario Limited	\$2,500.13	Lien
April 26, 2018	Cambridge Memorial Hospital	P.J. Daly Contracting Ltd.	\$2,129,595.74	Lien
April 25, 2018	Cambridge Memorial Hospital	Roque Roofing Inc.	\$290,544.37	Lien
July 25, 2018	Cambridge Memorial Hospital	Ashland Paving Ltd.	\$57,399.74	Lien
August 3, 2018	Cambridge Memorial Hospital	Duron Ontario Ltd	\$118,458.44	Lien
August 23, 2018	Cambridge Memorial Hospital	Stonhard (Stonhard division, RMP Canada)	\$105,512.25	Lien
August 20, 2018	Cambridge Memorial Hospital	Sunbelt Rentals of Canada Inc	\$11,727.39	Lien
August 10, 2018	Cambridge Memorial Hospital	Paramount Painting & Decorating (London) Inc	\$95,832.02	Lien
September 7, 2018	Cambridge Memorial	DDK Marketing Inc	\$23,000.00	Lien

	Hospital			
September 21, 2018	Cambridge Memorial Hospital	Persi, Riccardo (LIUNA Local 837)	\$63,159.23	Lien
September 25, 2018	Cambridge Memorial Hospital	Swisslog Healthcare	\$77,108.71	Lien
August 8, 2018	Cambridge Memorial Hospital	Arjo Canada Inc.	\$361,600.00	Lien
October 19, 2018	Cambridge Memorial Hospital	Biggs & Narciso Construction Services Inc.	\$187,071.90	Lien
July 27, 2018	Centennial College DPAC	Pollard Enterprises Ltd.	\$576,111.90	Lien
August 23, 2018	Centennial College DPAC	Stonhard (Stonhard Division, RPM Canada)	\$64,975.00	Lien
October 5, 2018	Centennial College DPAC	Strada Aggregate Inc.	\$13,908.70	Lien
October 16, 2018	Centennial College DPAC	Marel Contractors	\$1,339,223.82	Claim for Lien
May 29, 2018	Ecole Scarborough	Environmental Design Group	\$203,626.00	Lien
March 26, 2018	Ecole Peterborough	Cremers Brothers Electric Ltd.	\$198,398.33	Lien
April 5, 2018	Ecole Peterborough	ICI Roofing Limited	\$77,840.19	Lien
August 17, 2018	Ed Sackfield Arena	Form & Build Supply (Toronto) Inc.	\$52,602.00	Lien
August 17, 2018	Ed Sackfield Arena	Form & Build Supply (Toronto) Inc.	\$4,812.00	Lien
August 17, 2018	Ed Sackfield Arena	Form & Build Supply (Toronto) Inc.	\$4,812.00	Lien
September 25, 2018	Ed Sackfield Arena	D. Condello Trucking Ltd.	\$24,513.00	Lien
October 3, 2018	Ed Sackfield Arena	Strada Aggregate Inc.	\$223,568.00	Lien
September 20, 2018	Georgian Bay General Hospital	Soan Mechanical Ltd.	\$630,948.72	Lien
October 10, 2018	Georgian Bay General Hospital	Soan Mechanical Ltd.	\$21,340.00	Lien
August 16, 2018	Georgian Bay General	Sunbelt Rentals of Canada Inc	\$27,591.81	Lien

	Hospital			
September 25, 2018	Georgian Bay General Hospital	Swisslog Healthcare	\$73,850.47	Lien
October 19, 2018	Georgian Bay General Hospital	2194862 Ontario Inc. cob North York Welding	\$79,479.79	Lien
March 14, 2018	Gore Meadows	Modern Elevator	\$46,721.53	Lien
March 15, 2018	Gore Meadows	Pheonix Painting Limited	\$34,612.57	Lien
March 15, 2018	Gore Meadows	Pollard Enterprises Ltd.	\$72,811.09	Lien
March 21, 2018	Gore Meadows	Acapulco Pools Ltd.	\$697,202.06	Lien
March 16, 2018	Gore Meadows	Cinema Stage Inc.	\$52,910.31	Notice
March 12, 2018	Gore Meadows	BT Construction Cleaning Services Inc.	\$24,069.00	Lien
March 28, 2018	Gore Meadows	CIMCO Refrigeration	\$81,126.92	Lien
March 23, 2018	Gore Meadows	Peto MacCallum Ltd.	\$16,016.89	Lien
March 27, 2018	Gore Meadows	DSK Electric Ltd.	\$432,485.80	Lien
March 23, 2018	Gore Meadows	Lab Flooring Industries	\$401,391.72	Lien
March 29, 2018	Gore Meadows	Spacesaver Solutions Inc.	\$43,858.11	Written Claim for Lien
April 6, 2018	Gore Meadows	Urban Mechanical	\$1,339,255.88	Written Claim for Lien
March 23, 2018	Gore Meadows	Sun Glow Window Covering Products of Canada Limited	\$19,032.48	Lien
July 24, 2018	Holy Trinity	Krypton Steel Inc.	\$68,009.04	Lien
August 14, 2018	HGH	Arjo Canada Inc.	\$133,588.00	Lien
August 21, 2018	HGH	Hawkesbury Lumber Supply Company Limited	\$56,221.00	Lien
August 23, 2018	HGH	Stonhard (Stonhard Division, RPM Canada)	\$105,155.42	Lien
August 23, 2018	HGH	Sunbelt Rentals of Canada Inc	\$20,536.78	Lien
August 14, 2018	Kingston Intermediate Secondary School	Local 249	\$60,000.00	Notice of Lien

August 17, 2018	Kingston Intermediate Secondary School	Form & Build Supply (Toronto) Inc	\$29,231.18	Lien
September 14, 2018	Kingston Intermediate Secondary School	Quirion Metal Inc.	\$1,398,087.33	Lien
September 14, 2018	Kingston Intermediate Secondary School	ABF Reinforcing Steel Inc.	\$555,972.22	Lien
October 2, 2018	Kingston Intermediate Secondary School	Emco Corporation	\$16,618.00	Lien
April 21, 2017	Laurentian University	Accel Electrical Contractors Limited	\$2,491,419.43	Lien
April 27, 2018	Laurentian University	F&M Caulking Limited	\$18,399.79	Lien
August 21, 2018	MTO Centre for Excellence	PHE Contractor Sales Ltd	\$97,527.84	Written Notice of Lien
October 3, 2018	MTO Centre for Excellence	Strada Aggregates Inc.	\$27,160.49	Lien
July 27, 2018	Oak Ridges Library	Pollard Enterprises Ltd	\$45,588.04	Lien
July 27, 2018	Oak Ridges Library	4-Star Drywall (99) Ltd.	\$209,273.44	Lien
October 16, 2018	Oak Ridges Library	EXP Services Inc.	\$6,172.75	Lien
July 13, 2018	Petawawa	EXP Services Inc.	\$11,995.54	Notice of Intent
June 27, 2018	SECC	Dutchmaster Nurseries Limited	\$16,707.16	Lien
July 9, 2018	SECC	JMR Electric	\$113,190.21	Lien
August 16, 2018	SECC	Lab Flooring Industries Inc	\$126,288.57	Lien
January 19, 2018	SMH	Black & McDonald Limited	\$237,653.66	Lien
April 13, 2018	SMH	Marel Contractors	\$140,725.09	Lien
April 17, 2018	SMH	Crown Security Services Inc.	\$260,582.02	Lien
April 26, 2018	SMH	Ventex Inc.	\$177,384.26	Lien
July 16, 2018	SMH	Class 1 Inc. (sub of Urban Mechanical)	\$240,716.38	Lien
July 18, 2018	SMH	NORR Limited	\$2,489,507.18	Written Notice of Lien
July 27, 2018	SMH	Safway Services Canada Inc.	\$154,535.61	Lien

July 27, 2018	SMH	Pollard Enterprises Ltd	\$231,544.78	Lien
August 15, 2018	SMH	OZZ Electric Inc.	\$17,885,320.46	Notice of Intent
July 11, 2018	SMH	MMM Group Limited/ WSP Canada Limited	\$2,260,000.00	Lien
August 27, 2018	SMH	Stonhard (Stonhard Division RPM Canada)	\$228,902.67	Lien
August 28, 2018	SMH	Guldmann Care-Lift Solutions, ULC	\$119,000.00	Lien
August 30, 2018	SMH	Onyx-Demolition and Disposal Services Inc	\$189,043.35	Lien
August 30, 2018	SMH	Schindler Elevator Corporation	\$86,953.50	Lien
September 11, 2018	SMH	Advanced Presentation Products Inc	\$560,000.00	Lien
September 19, 2018	SMH	G&P Construction Cleaners Inc.	\$134,403.91	Lien
June 11, 2018	SMH	Assa Abloy Entrance Systems	\$68,432.00	Lien
August 17, 2018	SMH	Class 1 Inc.	\$331,287.00	Lien
September 6, 2018	SMH	Modern Elevators Innovations Inc.	\$629,094.00	Lien
September 25, 2018	SMH	Swisslog Healthcare	\$155,448.50	Lien
September 21, 2018	SMH	Swisslog Healthcare	\$155,448.50	Lien
September 20, 2018	SMH	Honeywell Limited	\$1,314,902.00	Lien
September 25, 2018	SMH	Toronto Insulation Systems Ltd.	\$271,578.00	Lien
September 26, 2018	SMH	Oakdale Drywall & Acoustic Ltd.	\$108,122.00	Lien
April 11, 2018	SMH Pathology	Geo A. Kelson	\$321,287.41 – being reduced	Lien
October 3, 2018	St. Augustine of Canterbury	Strada Aggregates Inc.	\$100,051.33	Lien

August 14, 2018	St Joseph Morrow Park	Local 27	\$120,000.00	Notice of Lien
August 20, 2018	St Joseph Morrow Park	Form & Build Supply (Toronto) Inc.	\$5,883.00	Lien
August 20, 2018	St Joseph Morrow Park	Form & Build Supply (Toronto) Inc.	\$2,819.00	Lien
September 25, 2018	St Joseph Morrow Park	D. Condello Trucking Ltd.	\$22,866.00	Lien
October 3, 2018	St. Joseph's Morrow Park Secondary School	Strada Aggregates Inc.	\$70,615.77	Lien
September 5, 2018	St Joseph Care Group Mental Health	Troy Life & Fire Safety LTd	\$191,773.00	Lien
September 12, 2018	St Joseph Care Group Mental Health	Triumph Roofing & Sheet Metal Inc	\$232,377.72	Lien
July 13, 2018	Sunnybrook MRI	EXP Services Inc.	\$20,102.70	Notice of Intent
August 30, 2018	Sunnybrook Health Science Centre	Stonhard (Stonhard Division, RPM Canada)	\$23,730.00	Lien
July 13, 2018	Trent University	1049077 Ontario Limited c/o Crowntech Aluminum & Glass	\$270,782.69	Lien
July 24, 2018	Trent University	D&F Insulation Ltd.	\$128,887.80	Lien
August 24, 2018	Trent University	Siemens Canada Ltd.	\$127,488.00	Lien
August 27, 2018	Trent University	Toromont Industries Ltd.	\$102,805.00	Lien
May 29, 2018	TTC Dupont	Black & McDonald Limited	\$84,291.69	Lien
August 14, 2018	TTC Dupont	Mometal Structures Inc	\$ 96,185.60	Claim for Lien
July 13, 2018	TTC Dupont	Fortis Electric Ltd.	\$431,908.43	Claim for Lien
August 16, 2018	TTC Dupont	OBW Equipment	\$5,139.24	Lien
August 10, 2018	TTC Glencairn	Novum Structures LLC	\$1,725,847.95	Lien
August 14, 2018	TTC Glencairn	Mometal Structures Inc	\$ 310,858.25	Claim for Lien
August 23, 2018	TTC Glencairn	Sunbelt Rentals of Canada Inc	\$23,032.23	Lien
July 27, 2018	TTC Greenwood	Fortis Electric Ltd.	\$1,448,895.48	Claim for Lien
July 19, 2018	TTC Greenwood	Triumph Roofing & Sheet	\$456,876.54	Notice of Intent

		Metal		
August 9, 2018	TTC Greenwood	Engie MultiTech Ltd	\$549,362.00	Written Notice of Lien
August 20, 2018	TTC Greenwood	Akal Steel (2005) Inc.	\$337,841.67	Lien
Per TTC chart provided October 17, 2018	TTC Greenwood	Ankor Engineering	\$32,116.00	Lien
July 18, 2018	TTC Greenwood	ATCO Structures & Logistics	\$74,156.25	Lien
September 26, 2018	TTC Greenwood Complex – Track & Structures Building Renovation and DC Penant Power Supply	Viking Fire Protection Inc.	\$116,388.61	Lien
June 5, 2018	TTC Greenwood Shop Failure	ATCO Structures & Logistics	\$59,325.00	Lien
August 31, 2018	TTC Greenwood Shop Failure	ATCO Structures & Logistics	\$103,818.75	Lien
July 19, 2018	TTC Davisville	Triumph Roofing & Sheet Metal	\$90,220.95	Notice of Intent
July 25, 2018	TTC Davisville	Black & McDonald Limited	\$751,034.73	Claim for Lien
October 3, 2018	TTC Davisville	Strada Aggregates Inc.	\$18,129.87	Lien
July 25, 2018	TTC Islington Station	Duron Ontario Ltd.	\$94,400.71	Claim for Lien
January 26, 2018	TTC Steeles West	Black & McDonald Limited	\$1,977,294.46	Lien
January 31, 2018	TTC Steeles West	Black & McDonald Limited	\$1,363,314.69	Lien
April 25, 2018	TTC Wilson Yard	United Rentals	\$19,495.72	Lien
June 15, 2018	TTC Wilson Yard	Clearway Construction Inc.	\$6,321,352.11	Lien
June 20, 2018	TTC Wilson Yard	Buttcon Limited	\$2,293,719.00	Lien
July 20, 2018	TTC Wilson Yard	Earth Boring Company Limited (sub to Clearway Construction)	\$1,591,155.26	Lien
September 10, 2018	TTC Wilson Yard	All Canada Crane Rental Corp	\$21,589.52	Lien
September 10, 2018	TTC Wilson Yard	Magnum Protective Services Limited	\$128,035.83	Lien
October 2, 2018	TTC Wilson Yard Track 2 to 15	Timberland Equipment	\$156,385.79	Lien

		Limited		
August 14, 2018	TTC Wilson Carhouse	Mometal Structures Inc	\$314,050.03	Claim for Lien
July 23, 2018	TTC Wilson Yard Fire Main Replacement	Earth Boring Company Limited	\$1,591,155.26	Lien
June 6, 2018	VMC Bus Terminal	Bryte Designs	\$227,170.96	Lien
August 14, 2018	VMC Bus Terminal	Mometal Structures Inc.	\$ 997,283.69	Claim for Lien
August 10, 2018	VMC Bus Terminal	SKP Roofing Inc	\$430,892.16	Lien
August 10, 2018	VMC Bus Terminal	Max Electric & Fire Protection Ltd.	\$454,766.13	Lien
August 31, 2018	VMC Bus Terminal	InEx Painting & Flooring Inc	\$96,247.29	Claim for Lien
March 22, 2018	Union Station	Hunink Corp	\$245,992.92	Written Claim for Lien
July 3, 2018	Union Station	Roschmann Steel & Glass Constructions, Inc.	\$6,100,662.10	Lien
July 18, 2019	Union Station	General Sprinklers	\$401,809.39	Notice of Intent
August 14, 2018	Union Station	Mometal Structures Inc.	\$2,438,784.29	Claim for Lien
July 6, 2018	Union Station – Zone Hub	Black & McDonald	\$76,282.06	Lien
August 14, 2018	Union Station – Zone Hub	Mometal Structures Inc	\$ 104,002.94	Claim for Lien
August 3, 2018	Union Station – Zone Hub	Oakdale Drywall & Acoustics Ltd.	\$45,272.14	Lien
Per Osler's List of October 9, 2018	Union Station	Merit Glass Limited	\$635,980.00	Lien
Per Osler's List of October 9, 2018	Union Station	Harris Steel/Harris Rebar	\$559,799.00	Lien
Per Osler's List of October 9, 2018	Union Station	Semple Gooder Roofing	\$25,755.52	Notice of Lien
Per Osler's List of October 9, 2018	Union Station	Form & Build Supply	\$42,218.00	Lien
Per Osler's List of October 9, 2018	Union Station	Multi-Glass Insulation	\$28,053.86	Lien
Per Osler's List of October 9, 2018	Union Station	WSP Canada Inc./SPL Consultants Limited	\$251,882.00	Lien

Per Osler's List of October 9, 2018	Union Station	Trulite Glass & Aluminum	\$26,153.00	Lien
Per Osler's List of October 9, 2018	Union Station	Cooper Equipment Rentals	\$27,084.27	Notice of Lien
September 14, 2018	University of Guelph	Aquanorth Contracting Ltd.	\$28,250.00	Claim for Lien
July 12, 2018	University of Waterloo	Sterling Concrete Sawing & Drilling Ltd	\$63,183.70	Lien
August 10, 2018	University of Waterloo	Zero Environmental Inc	\$246,156.00	Lien
August 27, 2018	University of Waterloo	Halton Rebar Inc	\$104,492.70	Lien
July 6, 2018	YCC	Dutchmaster Nurseries Limited	\$15,676.21	Lien

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NewsRoom

9/10/18 Globe & Mail (Toronto Can.) A1
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September 10, 2018

Section: News

Contractor woes stall Ontario public projects
Bondfield's struggle to pay subcontractors has resulted in lawsuits, liens
and delays in construction of a dozen buildings, including hospitals and...

KAREN HOWLETT, GREG McARTHUR, VJOSA ISAI

Bondfield's struggle to pay subcontractors has resulted in lawsuits, liens and delays in construction of a dozen buildings, including hospitals and schools

A dozen public-sector construction projects across Ontario - including hospitals, schools and university buildings - are either months behind schedule or in limbo as one of the province's largest construction companies struggles to pay its subcontractors and complete jobs.

Since the start of 2018, Bondfield Construction Co. Ltd., a family-owned firm based in Vaughan, north of Toronto, has been terminated as the general contractor on three publicsector projects, and others are mired in delays. Frustrated subcontractors have had to take extraordinary steps to get paid on projects - in some cases striking agreements to receive payment directly from public-sector institutions or turning to Bondfield's insurer for compensation.

The result has been a flurry of lawsuits, liens and a growing list of aggrieved public institutions. One of the company's major hospital projects, doubling the size of the emergency department and adding more inpatient beds at Cambridge Memorial Hospital in Southwestern Ontario, is 22 months behind schedule.

"Let me stress that we are profoundly disappointed and frustrated with the delays," said Alan Findlay, a spokesman for Infrastructure Ontario, the Crown corporation that oversees all of the province's major building projects and which awarded Bondfield the \$187-million Cambridge Memorial contract. "We are working with each project owner to protect taxpayers from cost overruns caused by the delays. We are determined to make sure the projects get done."

Two other Bondfield hospital projects awarded by Infrastructure Ontario - downtown Toronto's St. Michael's Hospital and Hawkesbury and District General Hospital in Eastern Ontario - are also months behind schedule.

The centrepiece of the \$301-million St. Michael's redevelopment, a 17-storey patient-care tower, was slated to be completed 10 months ago. On the \$125.7-million Hawkesbury project, the revised completion date for a new threestorey wing is set for August, 2019, 13 months behind schedule.

Bondfield declined to respond to questions about specific projects, but in a statement the company said: "Bondfield is extremely proud of its successful track record on numerous major projects in Ontario. Project delays are often an unfortunate but unavoidable part of large construction projects, and Bondfield's record in that regard is no different than any major contractor."

All three hospital contracts were awarded using what Infrastructure Ontario calls its Alternative Financing and Procurement, or AFP, system. The AFP model requires builders to finance projects using private lenders, and construction companies are only paid with public dollars upon completion of the job. The system, the Infrastructure Ontario website says, "protects taxpayers from cost overruns by transferring project risks to the party with the expertise, experience and ability to handle that risk best."

Several of Bondfield's traditional, non-AFP public-sector projects - which don't involve private-sector financing - have stalled or failed to get off the ground. In March, the City of Brampton, west of Toronto, terminated Bondfield as the builder of its \$33.5-million Gore Meadows Community Centre and Library even though the project was close to completion.

In a March 5 letter informing Bondfield that it was being removed from the project, a Brampton official said little progress had been made in the previous eight months. "Although Bondfield appears to be close to achieving occupancy, that has been the state of affairs for many months," wrote Randy Rason, Brampton's director of construction, in the letter, which was reviewed by The Globe and Mail. "This state of affairs has been ongoing since

the summer of 2017 and the city no longer has faith that Bondfield will reach occupancy in any reasonable time."

A new contractor has been hired. The project is expected to be completed later this month, a Brampton spokesperson said.

Two other public entities have taken the same step. In August, the City of Toronto rescinded a \$79.7-million contract awarded to Bondfield six months earlier to construct the new St. Lawrence Market North building. Also in August, Hamilton Health Sciences terminated its contract with Bondfield to build a \$4-million addition at Hamilton General Hospital. Neither would say precisely what brought about the terminations. In a statement, City of Toronto spokeswoman Erin McGuey said Bondfield was "unable to meet the requirements of the City's tender process."

Bondfield is also responsible for a portion of the massive renovation of Union Station in downtown Toronto. The City of Toronto initially hired Carillion Canada Inc. in 2010 to refurbish the century-old train station and install a new shopping concourse, but the company completed only the first phase.

The city subsequently awarded Bondfield a \$178.5-million contract in June, 2015, to complete stages 2 and 3, the Bay Concourse.

The entire project was initially supposed to be done by 2015 at a cost of \$640-million, but the timeline has been pushed back to early 2019 and the budget increased to \$823.9-million. (Carillion's British parent collapsed in January and a Toronto investment company has acquired its core businesses in Canada.)

The refurbishment of Canada's busiest transit hub is "one of the most complicated construction projects in the country, wedged into one of the most congested parts of Toronto," Ms. McGuey said in explaining the delays.

More than 300,000 people pass through Union Station every day.

In interviews, a number of subcontractors to Bondfield described how they have had to take unusual measures to get paid.

Some subcontractors have struck agreements, with permission from Bondfield, to be paid directly by the public institution under construction, thus bypassing Bondfield in one of its roles as a general contractor. The University of Guelph, for instance, has directly paid two

subcontractors for the work Bondfield is co-ordinating on its delayed addition, a university spokesperson said.

Other subcontractors said they have recently been paid by, or instructed to put in a claim with, Bondfield's insurer, Zurich Insurance. In an interview, Patrick Gaskin, the chief executive officer of Cambridge Memorial said: "We understand that at least one of the subcontractors has been paid by Zurich."

With most public-sector construction contracts, builders are required to obtain what is called a performance bond, an insurance policy that obligates the insurer to step in and see a project through to completion in the event of default.

Mr. Findlay, the Infrastructure Ontario spokesman, declined to respond to specific questions about Zurich's involvement in the delayed projects. But he said whenever projects face difficulties, "we would expect the bonding company to play an active role to address issues with payment of subcontractors and help get the project back on track."

Zurich Insurance declined to comment on the matter.

A Globe analysis of lawsuits filed in Ontario's court system shows a marked increase in the number of claims launched against Bondfield in 2017 and 2018. Forty-six per cent of the total lawsuits launched against Bondfield across the province since 1994 were initiated over that time period.

In Toronto alone, there have been 207 lawsuits in which Bondfield has been named as a defendant since the start of 2017. The company's two larger competitors in the public infrastructure space, PCL Constructors Canada Inc. and EllisDon, have been named as a defendant 22 times and 40 times, respectively, over the same period.

Many of these claims have been launched by subcontractors, but also in a few instances by the public-sector institutions themselves.

In 2017, St. Michael's Hospital launched a lawsuit against Bondfield seeking compensation for a 2015 flood that closed several operating rooms and forced the hospital to function for a number of weeks under a code brown - a hazardous spill. In March of this year, a Thunder Bay hospital, St.

Joseph's Care Group, sued Bondfield for breach of contract, alleging that the company was responsible for a series of delays that meant that the second and third phase of its project were

both a year behind schedule. The project was completed in August. Statements of defence have not been publicly filed in either case.

With reports from Tom Cardoso and Michelle Zilio Khowlett@globeandmail.com
GMcArthur@globeandmail.com Visai@globeandmail.com

---- Index References ----

Company: BONDFIELD CONSTRUCTION; CARILLION CANADA INC; CROWN CORP; HAMILTON HEALTH SCIENCES; ONTARIO INFRASTRUCTURE AND LANDS CORP; ST MICHAELS HOSPITAL; ZURICH FINANCIAL SERVICES; ELLISDON CORP; ELLISDON INC; PCL CONSTRUCTORS CANADA INC; PCL CONSTRUCTORS CANADA INC

Industry: (Banking (1BA20); Commercial Banking Services (1CO19); Construction (1CO11); Financial Services (1FI37); Healthcare (1HE06); Healthcare Service Providers (1HE78); Healthcare Services (1HE13); Hospital Administration (1HO60); Hospitals (1HO39); Project Finance (1PR11))

Region: (Americas (1AM92); Canada (1CA33); North America (1NO39); Ontario (1ON96))

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Other Indexing: (Cambridge Memorial; PCL Constructors Canada Inc.; ellisdon) (Erin McGuey; Michelle Zilio Khowlett; Randy Rason; Patrick Gaskin; Alan Findlay)

Edition: Ontario

Word Count: 1318

O

July 17, 2018

Bridging Finance Inc., as Agent
77 King St West, Suite 2925
PO Box 322
Toronto, Ontario
M5K1K7

Attention: Natasha Sharpe

Dear Ms. Sharpe:

Re: Letter Agreement and credit facility dated as of July 24, 2017 made between Bridging Finance Inc. (in its capacity as agent, the “Agent”), as agent for and on behalf of any of the funds sub-advised or managed by Bridging Finance Inc. (collectively, the “Lender”), in favour of Bondfield Construction Company Limited (the “Borrower”) and the guarantors party thereto, as extended by way of a letter agreement dated as of the date hereof (as amended, the “Credit Agreement”).

Capitalized terms used herein and not defined herein shall have the meaning given to them in the Credit Agreement. In exchange for the extension of the Term of the Credit Agreement pursuant to an extension agreement dated as of the date hereof, the Lender has required and the Borrower has agreed to undertake to do the following (the “**Extension Agreement Actions**”):

- (1) Seek and appoint an interim Chief Financial Officer or other person to fulfil a substantially similar role, such person to be acceptable to the Agent, within sixty (60) days from the date hereof;
- (2) Engage in weekly update conference calls with the Agent to discuss the status of the Borrower’s refinancing and sale solicitation process;
- (3) Within seven (7) days of the date hereof, prepare a divestiture plan with the goal of reducing the Borrower’s overall indebtedness, which shall include, at a minimum, the sale (or sale-leaseback or other such similar arrangement) of the Borrower’s head office and other real properties as agreed by the Borrower and the Agent (the “**Divestiture Plan**”); and
- (4) Provide the Agent with access to its financial advisor, FTI Consulting Canada Inc., for any reporting or financial analysis as may be reasonably required by the Agent.

The Borrower agrees that the Divestiture Plan shall include the hiring of a real estate agent acceptable to the Agent and further agrees to provide the Agent with weekly reports to discuss the status of the assets to be sold and the execution of the Divestiture Plan.

In addition to undertaking the Extension Agreement Actions, the Borrower has agreed, upon the earlier of (a) the closing of a successful refinancing of the indebtedness outstanding under the Credit Agreement and (b) the Term indicated in the extension agreement, to pay the Agent a work fee equal to \$200,000 plus applicable taxes.

Except as expressly waived by this Agreement, no other waivers, changes, consents or modifications to the terms of the Loan Documents are intended or implied and the terms and conditions of the Credit Agreement and the other Loan Documents shall remain in full force and effect.

This Agreement and the amendment provided hereunder, shall become effective upon this Agreement having been executed and delivered by the Borrower and the Agent.

The Credit Agreement, as amended hereby, shall remain in full force and effect and is hereby ratified and confirmed. The Credit Agreement and this Agreement shall be read, taken and construed as one and the same document. This Agreement shall be deemed to be a "Loan Document" for all purposes under the Credit Agreement.

Each reference to the Credit Agreement in any of the Loan Documents (including the Credit Agreement) shall be deemed to be a reference to the Credit Agreement as amended by the Amendment.

This Agreement may be executed in any number of separate counterparts and by facsimile or pdf copy, each of which shall be deemed an original and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

This Agreement shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

Yours Truly,

**BONDFIELD CONSTRUCTION
COMPANY LIMITED, as Borrower**

By: _____

Name: John Aquino
Title: President

I have the authority to bind the Corporation

The undersigned hereby accepts this Agreement and the amendments contained herein this 20 day of July 2018.

BRIDGING FINANCE INC., as Agent

By:  _____

Name: Natasha Sharpe

Title: Chief Investment Officer

I have the authority to bind the Corporation

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DEMAND LETTERS AND NOIS

INDEX

**Tab
No.**

- 1 Demand Letter to Bondfield Construction Company Limited dated October 1, 2018
- 2 Demand Letter to 1087507 Ontario Limited dated October 1, 2018
- 3 Demand Letter to 1291546 Ontario Inc. dated October 1, 2018
- 4 Demand Letter to 1291547 Ontario Inc. dated October 1, 2018
- 5 Demand Letter to 2032686 Ontario Limited dated October 1, 2018
- 6 Demand Letter to Bondfield Construction Equipment Ltd. dated October 1, 2018
- 7 Demand Letter to Bondfield Group Inc. dated October 1, 2018
- 8 Demand Letter to John Aquino dated October 1, 2018
- 9 Demand Letter to Ralph Aquino dated October 1, 2018
- 10 Demand Letter to Steven Aquino dated October 1, 2018
- 11 Demand Letter to 352021 Ontario Limited dated October 1, 2018
- 12 Demand Letter to 834076 Ontario Inc. dated October 1, 2018
- 13 Demand Letter to 950504 Ontario Inc. dated October 1, 2018
- 14 Demand Letter to 1033803 Ontario Inc. dated October 1, 2018

1



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carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

Bondfield Construction Company Limited
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

**Re: Indebtedness of Bondfield Construction Company Limited (“Bondfield”) to
Bridging Finance Inc. (“Bridging”)**

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield and Bridging dated as of July 24, 2017 (the “**Credit Agreement**”).

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and hereby demands payment in full of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP


per. Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: BONDFIELD CONSTRUCTION COMPANY LIMITED, an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of Bondfield Construction Company Limited ("**Bondfield**") as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, Bondfield in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by Bondfield pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
Per: _____
Name: Chris Armstrong
Title: Partner

2

BY COURIER AND EMAIL

October 1, 2018

1087507 Ontario Limited
 407 Basaltic Road
 Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 1087507 Ontario Limited to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to (i) that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”); (ii) that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 1087507 Ontario Limited pursuant to which 1087507 Ontario Limited guaranteed the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement; and (iii) that certain Demand Debenture (the “**Demand Debenture**”) dated as of July 24, 2017 in the principal amount of \$90,000,000 made by 1087507 Ontario Limited in favour of Bridging.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee and the Demand Debenture, hereby demands payment in full from 1087507 Ontario Limited of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred

Goodmans^{LLP}

Page 2

by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen

per.

Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 1087507 ONTARIO LIMITED, an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. (“**Bridging**”), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All “Collateral” of 1087507 Ontario Limited, as defined in the Omnibus General Security Agreement (the “**GSA**”) dated as of July 24, 2017 by, among others, 1087507 Ontario Limited in favour of Bridging, and the real property municipally known as 4431 Stouffville Road, Stouffville, Ontario (“**4431 Stouffville Road**”).

2. The security that is to be enforced is the following:
 - (i) the security granted by 1087507 Ontario Limited pursuant to the GSA;
 - (ii) the Demand Debenture dated as of July 24, 2017 in the principal amount of \$90,000,000 made by 1087507 Ontario Limited in favour of Bridging;
 - (iii) the charge/mortgage registered on July 25, 2017 for \$90,000,0000 given by 1087507 Ontario Limited in favour of Bridging with respect to 4431 Stouffville Road; and
 - (iv) the Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by 1087507 Ontario Limited in favour of Bridging in respect of 4431 Stouffville Road.
3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per _____
Name: Chris Armstrong
Title: Partner

3



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

1291546 Ontario Inc.
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 1291546 Ontario Inc. to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 1291546 Ontario Inc. pursuant to which 1291546 Ontario Inc. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 1291546 Ontario Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen

per:
Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 1291546 ONTARIO INC., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. (“**Bridging**”), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All “Collateral” of 1291546 Ontario Inc., as defined in the Omnibus General Security Agreement (the “**GSA**”) dated as of July 24, 2017 by, among others, 1291546 Ontario Inc. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 1291546 Ontario Inc. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per:

Loren Cohen

per Name: Chris Armstrong

Title: Partner

4



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

1291547 Ontario Inc.
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: Ralph Aquino

Dear Sir:

Re: Indebtedness of 1291547 Ontario Inc. to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 1291547 Ontario Inc. pursuant to which 1291547 Ontario Inc. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 1291547 Ontario Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Whelan

per.

Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 1291547 ONTARIO INC., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of 1291547 Ontario Inc., as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, 1291547 Ontario Inc. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 1291547 Ontario Inc. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per Name: Chris Armstrong
Title: Partner

5



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
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Direct Line: 416.849.6013
carnstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

2032686 Ontario Limited
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 2032686 Ontario Limited to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 2032686 Ontario Limited pursuant to which 2032686 Ontario Limited agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 2032686 Ontario Limited of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen

per Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 2032686 ONTARIO LIMITED, an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of 2032686 Ontario Limited, as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, 2032686 Ontario Limited in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 2032686 Ontario Limited pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per Name: Chris Armstrong
Title: Partner

6

BY COURIER AND EMAIL

October 1, 2018

Bondfield Construction Equipment Ltd.
 407 Basaltic Road
 Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

**Re: Indebtedness of Bondfield Construction Equipment Ltd. to Bridging Finance Inc.
 (“Bridging”)**

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, Bondfield Construction Equipment Ltd. pursuant to which Bondfield Construction Equipment Ltd. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from Bondfield Construction Equipment Ltd. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP


per
Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: BONDFIELD CONSTRUCTION EQUIPMENT LTD., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of Bondfield Construction Equipment Ltd., as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, Bondfield Construction Equipment Ltd. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by Bondfield Construction Equipment Ltd. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per: _____
Name: Chris Armstrong
Title: Partner

7



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

Bondfield Group Inc. (formerly Bondfield Management Inc.)
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of Bondfield Group Inc. to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, Bondfield Group Inc. pursuant to which Bondfield Group Inc. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from Bondfield Group Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen
per:
Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: BONDFIELD GROUP INC. (formerly BONDFIELD MANAGEMENT INC.), an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of Bondfield Group Inc., as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, Bondfield Group Inc. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by Bondfield Group Inc. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: per: Loren Cohen

Name: Chris Armstrong

Title: Partner

8



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

John Aquino
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of John Aquino to Bridging Finance Inc. ("Bridging")

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited ("**Bondfield**") and Bridging dated as of July 24, 2017 (the "**Credit Agreement**") and to that certain Unlimited Guarantee dated as of July 24, 2017 (the "**Guarantee**") by you pursuant to which you agreed to, among other things, guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging's records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the "**Indebtedness**").

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see "Events of Default", sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from you of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you.

Yours very truly,

GOODMANS LLP

Loren Cohen

per Chris Armstrong

9

BY COURIER AND EMAIL

October 1, 2018

Ralph Aquino
 407 Basaltic Road
 Concord, Ontario L4K 4W8

Attention: Ralph Aquino

Dear Sir:

Re: Indebtedness of Bondfield Construction Company Limited (“Bondfield”) to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield and Bridging dated as of July 24, 2017 (the “**Credit Agreement**”) and to (i) that certain Limited Recourse Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by you pursuant to which you agreed to, among other things, provide a limited recourse guarantee of the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement, and (ii) that certain Demand Debenture (the “**Demand Debenture**”) dated as of July 24, 2017 in the principal amount of \$90,000,000 made by you in favour of Bridging.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee and the Demand Debenture, hereby demands payment in full of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the

Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen

per Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: RALPH AQUINO, an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on:

The real property municipally known as 131 Saramia Crescent, Vaughan, Ontario ("**131 Saramia**").

2. The security that is to be enforced is the following:

- (i) all "Real Property Security" as defined in the Limited Recourse Guarantee dated as of July 24, 2017 by you in favour of Bridging, including, without limitation:
- (A) the mortgage/charge registered on July 25, 2017 for \$90,000,000 given by you in favour of Bridging with respect to 131 Saramia; and
- (B) the Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by you in favour of Bridging with respect to 131 Saramia; and
- (ii) the Demand Debenture dated as of July 24, 2017 in the principal amount of \$90,000,000 made by you in favour of Bridging.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen

per Name: Chris Armstrong
Title: Partner

10



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

Steven Aquino
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: Steven Aquino

Dear Sir:

Re: Indebtedness of Steven Aquino to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”) and Bridging dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Unlimited Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by you pursuant to which you agreed to, among other things, guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from you of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you.

Yours very truly,

GOODMANS LLP

Loren Cohen

per:
Chris Armstrong

11



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

352021 Ontario Limited
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 352021 Ontario Limited to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 352021 Ontario Limited pursuant to which 352021 Ontario Limited agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 352021 Ontario Limited of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen
per
Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 352021 ONTARIO LIMITED, an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. (“**Bridging**”), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All “Collateral” of 352021 Ontario Limited, as defined in the Omnibus General Security Agreement (the “**GSA**”) dated as of July 24, 2017 by, among others, 352021 Ontario Limited in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 352021 Ontario Limited pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per:

Name: Chris Armstrong

Title: Partner

12



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

834076 Ontario Inc.
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 834076 Ontario Inc. to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 834076 Ontario Inc. pursuant to which 834076 Ontario Inc. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).


Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 834076 Ontario Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP


per:
Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 834076 ONTARIO INC., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of 834076 Ontario Inc., as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, 834076 Ontario Inc. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 834076 Ontario Inc. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per:

Loren Cohen

Name: Chris Armstrong

Title: Partner

13



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

950504 Ontario Inc.
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 950504 Ontario Inc. to Bridging Finance Inc. (“Bridging”)

We are counsel to Bridging in respect of this matter.

Reference is made to that certain Credit Agreement between Bondfield Construction Company Limited (“**Bondfield**”), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the “**Credit Agreement**”) and to that certain Omnibus Guarantee dated as of July 24, 2017 (the “**Guarantee**”) by, among others, 950504 Ontario Inc. pursuant to which 950504 Ontario Inc. agreed to guarantee the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement.

According to Bridging’s records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the “**Indebtedness**”).

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see “Events of Default”, sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee hereby demands payment in full from 950504 Ontario Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Goodmans^{LLP}

Page 2

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP

Loren Cohen

per:

Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 950504 ONTARIO INC., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. ("**Bridging**"), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All "Collateral" of 950504 Ontario Inc., as defined in the Omnibus General Security Agreement (the "**GSA**") dated as of July 24, 2017 by, among others, 950504 Ontario Inc. in favour of Bridging.

2. The security that is to be enforced is the following:

All security granted by 950504 Ontario Inc. pursuant to the GSA.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: Loren Cohen
per Name: Chris Armstrong
Title: Partner

14



Barristers & Solicitors

Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.849.6013
carmstrong@goodmans.ca

BY COURIER AND EMAIL

October 1, 2018

1033803 Ontario Inc.
407 Basaltic Road
Concord, Ontario L4K 4W8

Attention: John Aquino

Dear Sir:

Re: Indebtedness of 1033803 Ontario Inc. to Bridging Finance Inc. ("Bridging")

We are counsel to Bridging in respect of this matter.

Reference is made to (i) that certain Credit Agreement between Bondfield Construction Company Limited ("**Bondfield**"), as borrower, and Bridging, as lender, dated as of July 24, 2017 (the "**Credit Agreement**"); (ii) that certain Omnibus Guarantee dated as of July 24, 2017 (the "**Guarantee**") by, among others, 1033803 Ontario Inc. pursuant to which 1033803 Ontario Inc. guaranteed the Guaranteed Obligations (as defined in the Guarantee), which includes, without limitation, all indebtedness, liabilities and obligations of Bondfield to Bridging under or in connection with the Credit Agreement; and (iii) that certain Demand Debenture (the "**Demand Debenture**") dated as of July 24, 2017 in the principal amount of \$90,000,000 made by 1033803 Ontario Inc. in favour of Bridging.

According to Bridging's records, as at October 1, 2018, Bondfield is indebted to Bridging pursuant to the Credit Agreement in the aggregate amount of \$82,956,523.05, which amount is inclusive of interest through October 1, 2018, but exclusive of legal expenses and other costs, charges and fees to date (collectively, the "**Indebtedness**").

Bondfield is in default of its obligations to Bridging pursuant to the Credit Agreement, including, without limitation, for failure to pay interest when due pursuant to the terms of the Credit Agreement (see "Events of Default", sub-paragraph (a)).

Bridging hereby confirms and declares that the Indebtedness is immediately due and payable, and, pursuant to the terms of the Guarantee and the Demand Debenture, hereby demands payment in full from 1033803 Ontario Inc. of the Indebtedness forthwith, together with (i) all interest on the Indebtedness from and after the date hereof until payment in full of the Indebtedness is received, and (ii) all costs, charges, fees and expenses incurred and to be incurred

by Bridging in connection with the Indebtedness. Payment of the Indebtedness is to be made forthwith to Bridging at the following address:

Bridging Finance Inc.
77 King Street West, Suite 2925
P.O. Box 322
Toronto, Ontario M5K 1K7

If payment in full of the Indebtedness is not received forthwith, Bridging shall have the right to exercise all of its remedies as it may deem necessary or appropriate in order to recover payment in full of the Indebtedness, all without further notice to you. In that regard, we enclose herewith a Notice of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

GOODMANS LLP


per. Loren Cohen

Chris Armstrong

Encl.

**NOTICE OF INTENTION TO ENFORCE A SECURITY
(RULE 124)**

TO: 1033803 ONTARIO INC., an insolvent person

TAKE NOTICE THAT:

1. Bridging Finance Inc. (“**Bridging**”), a secured creditor, intends to enforce its security on all assets, undertakings and property of the insolvent person of whatever kind or nature, including, without limitation:

All “Collateral” of 1033803 Ontario Inc., as defined in the Omnibus General Security Agreement (the “**GSA**”) dated as of July 24, 2017 by, among others, 1033803 Ontario Inc. in favour of Bridging, and the real property municipally known as 407 Basaltic Road, Vaughan, Ontario (“**407 Basaltic**”) and 3420 Queen Street East, Brampton, Ontario (formerly 3420 Highway 7 East, Brampton, Ontario) (“**3420 Queen Street East**”).

2. The security that is to be enforced is the following:

- (i) the security granted by 1033803 Ontario Inc. pursuant to the GSA;
- (ii) the Demand Debenture dated as of July 24, 2017 in the principal amount of \$90,000,000 made by 1033803 Ontario Inc. in favour of Bridging;
- (iii) the charge/mortgage registered on July 25, 2017 for \$90,000,000 given by 1033803 Ontario Inc. in favour of Bridging with respect to 407 Basaltic Road;
- (iv) the charge/mortgage registered on July 25, 2017 for \$90,000,000 given by 1033803 Ontario Inc. in favour of Bridging with respect to 3420 Queen Street East;
- (v) the Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by 1033803 Ontario Inc. in favour of Bridging in respect of 407 Basaltic; and
- (vi) the Agreement in respect of a general assignment of rents dated as of July 24, 2017 given by 1033803 Ontario Inc. in favour of Bridging in respect of 3420 Queen Street East.

3. The total amount of indebtedness secured by the security is \$82,956,523.05 as at October 1, 2018, which amount is exclusive of legal expenses and other costs, charges and fees.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 1st day of October, 2018.

BRIDGING FINANCE INC., by its solicitors,
Goodmans LLP

Per: LoenCohen
per Name: Chris Armstrong
Title: Partner

Q



Canada Revenue Agency
 Agence Revenu du Canada

Facsimile / Bélinographe

TORONTO-CENTRE TAX SERVICES OFFICE One Front St W- Toronto, ON M5J 2X6 Facsimile: (416) 954-8340 Telephone: (416) 954-9169	F N.Kumar R O M D E
--	--

DATE: October 12, 2018	
TO: Steven Aquino Bondfield Construction Company Limited	
FAX: 905-832-8004	PAGES: 2 TO FOLLOW

RE: Payment Arrangement

Copy of the payment arrangement letter that was faxed October 11, 2018



Toronto Centre Tax Services Office
Toronto ON M5J 2X6

October 11, 2018

BONDFIELD CONSTRUCTION COMPANY LIMITED
407 BASALTIC RD
CONCORD ON L4K 4W8

Account Number
10057 7162 RP0001

Dear Sir or Madam:

Re: Bondfield Construction Company Limited, 352021 Ontario
Limited, Bondfield Group Inc and 1033803 Ontario Inc

Thank you for proposing an interim arrangement to pay the
outstanding arrears on your accounts

We confirm that the terms of your arrangement are as follows:

Bondfield Construction, 352021 Ontario Limited, Bondfield Group

Payment Amount: \$40,000.00
Payment interval: 7 days
First Payment: October 12, 2018
Additional Payment: \$1.8M to be remitted by Oct 19, 2018
Duration of Arrangement: Up to November 30, 2018

Details of payment of the remaining balances for all accounts
related to the three corporations must be arranged by December 1,
2018.

1033803 Ontario Inc

Payment Amount: \$250,000.00
Payment Interval: 7 days
First Payment: October 12, 2018
Duration of Arrangement: Up to October 31, 2018

- You file current-year returns by the filing deadlines and pay any tax owing by the due dates
- Any postdated cheques must be honoured on the due date
- You send us an aged list of accounts receivable for 352021 Ontario Limited and 1033803 Ontario Inc by Oct 22, 2018

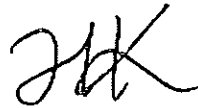
Please note that penalty and interest will continue to accrue at the prescribed rates until the amount is paid in full.

For payment options, go to www.canada.ca/guide-taxes-payments.

You must follow this arrangement and make your payments on time. If you do not, we may have to take legal action against you. For example, we may garnish your income, garnish your bank account, seize and sell your assets, or use any other means under the laws that apply to collect the amount you owe.

We would appreciate your immediate attention to this matter.

Yours truly,



N. Kumar (1213)
Collections Officer

**BRIDGING FINANCE INC., as agent for 2665405
ONTARIO INC.**

Applicant

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803
ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT
LTD., 1087507 ONTARIO LIMITED, 1291546 ONTARIO INC.,
1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686
ONTARIO LIMITED, BONDFIELD GROUP INC., 834076
ONTARIO INC., 950504 ONTARIO INC. AND RALPH AQUINO**

Court File No.: _____

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF BRIAN CHAMP

(sworn November 15, 2018)

Goodmans LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190F)

Christopher G. Armstrong (LSO#: 55148B)

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicant

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) **FRIDAY, THE 16TH**
)
JUSTICE ●) **DAY OF NOVEMBER, 2018**

BETWEEN

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

- and -

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC.,
BONDFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686
ONTARIO LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPH AQUINO**

Respondents

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

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by Bridging Finance Inc. (the “**Applicant**”), as agent for 2665405 Ontario Inc., 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 Kofman Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and

DRAFT: 1 - November 15, 2018

properties of Bondfield Construction Company Limited (“**BCCL**”), 1033803 Ontario Inc. operating as Forma-Con Construction and Forma Finishing, Bondfield Construction Equipment Ltd., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 352021 Ontario Limited, 2032686 Ontario Limited, Bondfield Group Inc., operating as BMC Masonry, 834076 Ontario Inc. and 950504 Ontario Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors as well as the real property known municipally as 131 Saramia Crescent in Vaughan, Ontario (“**131 Saramia Crescent**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Brian Champ sworn November 15, 2018, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Debtors and Zurich Insurance Company Ltd., no one else appearing although duly served as appears from the affidavit of service of [NAME] sworn [DATE], and on reading the consent of KSV to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of: (i) 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; and (ii) 131 Saramia Crescent, the details of which are specified on Schedule A hereto (collectively, 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, including, without limitation, BCCL's investment accounts at BMO Nesbitt Burns and Connor, Clark & Lunn Private Capital Ltd., the details of which are specified on confidential Schedule B hereto;
- (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 any Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of a Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of a Debtor in collecting such monies, including, without limitation, to enforce any security held by a Debtor;
- (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 a Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors (or any one of them), 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 file an assignment in bankruptcy on behalf of any Debtor, or to consent to the making of a bankruptcy order against a Debtor;
- (k) 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;
- (l) 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 \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,000,000; 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, shall not be required;

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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;
- (q) 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;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; 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 current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies

or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

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

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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 DEBTORS OR THE PROPERTY

9. **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

10. **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

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 any of the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the 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

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

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

PIPEDA

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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the

Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

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

RECEIVER’S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$3,000,000 (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, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website) 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: <http://www.ksvadvisory.com/insolvency-cases/Bondfield>.

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 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.

CRITICAL PAYMENTS

27. **THIS COURT ORDERS** that the Receiver may, with the written consent of the Applicant, make payments owing by the Debtors to subcontractors and other creditors on account of amounts owing prior to the date of this Order.

SEALING

28. **THIS COURT ORDERS** that, subject to further Order of this Court on a motion on not less than seven (7) business days’ notice to the Receiver and the Applicant, Schedule B to this Order be and is hereby sealed, provided that the Receiver or its counsel may disclose Schedule B to the applicable financial institutions specified on Schedule B hereto.

GENERAL

29. **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.

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

31. **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.

32. **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.

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

34. **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, the Applicant 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.

SCHEDULE A**131 SARAMIA CRESCENT PROPERTY DETAILS**

PIN: 03276 - 0174 LT

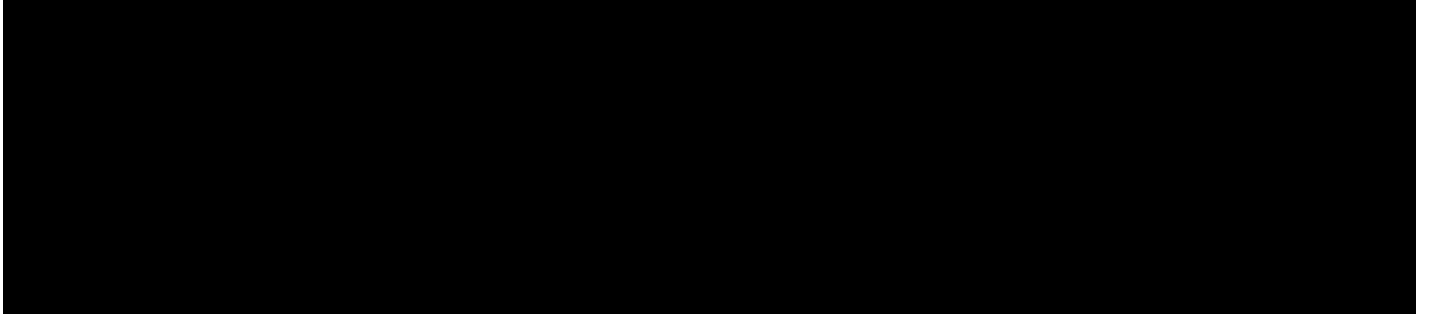
Description: PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331; S/T LT579695
VAUGHAN

Address: 131 Saramia Crescent, Vaughan, Ontario

DRAFT: 1 - November 15, 2018

SCHEDULE B

CONFIDENTIAL (TO BE SEALED)



DRAFT: 1 - November 15, 2018

SCHEDULE C
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

[RECEIVER’S NAME], solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

DRAFT: 1 - November 15, 2018

**BRIDGING FINANCE INC., as
agent for 2665405 ONTARIO INC.**

Applicant

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803
ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT LTD.,
1087507 ONTARIO LIMITED, 1291546 ONTARIO INC., 1291547
ONTARIO INC., 352021 ONTARIO LIMITED, 2032686 ONTARIO
LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPH AQUINO**
Respondents

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(Receivership Application)**

Goodmans LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190F)

Christopher G. Armstrong (LSO#: 55148B)

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicant

TAB 4

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE _____)
JUSTICE _____ ●)

~~WEEKDAY~~FRIDAY, THE #16TH
DAY OF ~~MONTH~~NOVEMBER,
~~20YR~~2018

~~PLAINTIFF~~[†]

Plaintiff

BETWEEN

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

- and -

~~DEFENDANT~~

Defendant

BONFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC.,
BONFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686
ONTARIO LIMITED, BONFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPHAQUINO

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED;

[†]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.

AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43,
AS AMENDED

ORDER
(~~appointing~~Appointing Receiver)

THIS ~~MOTION made by the Plaintiff~~² APPLICATION made by Bridging Finance Inc. (the "Applicant"), as agent for 2665405 Ontario Inc., 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 Kofman Inc. ("KSV") as receiver ~~{and manager}~~ (in such capacities, the "~~Receiver~~") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (the "Debtor" Bondfield Construction Company Limited ("BCCL"), 1033803 Ontario Inc., operating as Forma-Con Construction and Forma Finishing, Bondfield Construction Equipment Ltd., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 352021 Ontario Limited, 2032686 Ontario Limited, Bondfield Group Inc., operating as BMC Masonry, 834076 Ontario Inc. and 950504 Ontario Inc. (collectively, the "Debtors")) acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors as well as the real property known municipally as 131 Saramia Crescent in Vaughan, Ontario ("131 Saramia Crescent"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~ Brian Champ sworn ~~[DATE]~~ November 15, 2018, and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ the Applicant, the Debtors and Zurich Insurance Company Ltd., no one else appearing ~~for [NAME]~~ although duly served as appears from the affidavit of service of ~~[NAME]~~ sworn ~~[DATE]~~, and on reading the consent of ~~[RECEIVER'S NAME]~~ KSV to act as the Receiver,

DRAFT: 1 - November 15, 2018

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

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application is hereby abridged and validated³ so that this ~~motion~~application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~KSV is hereby appointed Receiver, without security, of: (i) 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"; and (ii) 131 Saramia Crescent, the details of which are specified on Schedule A hereto (collectively, 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:

- DRAFT: 1 - November 15, 2018**
- (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, including, without limitation, BCCL's investment accounts at BMO Nesbitt Burns and Connor, Clark & Lunn Private Capital Ltd., the details of which are specified on confidential Schedule B hereto;
 - (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

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

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~~any Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of ~~the~~a Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of ~~the~~a Debtor in collecting such monies, including, without limitation, to enforce any security held by ~~the~~a Debtor;
- (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~~a Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors (or any one of them), the Property or the Receiver, and to settle or compromise any such proceedings.⁴ 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;

⁴ ~~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.~~

- (j) to file an assignment in bankruptcy on behalf of any Debtor, or to consent to the making of a bankruptcy order against a Debtor;
- (k) ~~(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;
- (l) ~~(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 \$~~_____~~500,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~2,000,000; 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*, ~~for~~ section 31 of the Ontario *Mortgages Act*, as the case may be,⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply.~~
- (m) ~~(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;
- (n) ~~(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;

DRAFT: 1 - November 15, 2018

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

- 6 -

- (o) ~~(h)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) ~~(i)~~ to apply for any permits, licenses, 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;
- (q) ~~(j)~~ 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;
- (r) ~~(k)~~ to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (s) ~~(l)~~ 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 current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

DRAFT - November 15, 2018

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

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

shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE ~~Debtor~~DEBTORS OR THE PROPERTY

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

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

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

DRAFT-1 November 15, 2018

or permit in favour of or held by any of the Debtor Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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.

DRAFT: 1-November 15, 2018

EMPLOYEES

employees of the ~~Debtor~~ Debtors until such time as the Receiver, on ~~the~~ Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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,

DRAFT: 1 - November 15, 2018

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

⁶ ~~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".~~

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass ~~its~~their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$~~_____~~3,000,000 (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, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the 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 ~~“@”~~: <http://www.ksvadvisory.com/insolvency-cases/Bondfield>.

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

CRITICAL PAYMENTS

27. **THIS COURT ORDERS** that the Receiver may, with the written consent of the Applicant, make payments owing by the Debtors to subcontractors and other creditors on account of amounts owing prior to the date of this Order.

DRAFTER: 1-November-15, 2018

SEALING

than seven (7) business days' notice to the Receiver and the Applicant, Schedule B to this Order be and is hereby sealed, provided that the Receiver or its counsel may disclose Schedule B to the applicable financial institutions specified on Schedule B hereto.

GENERAL

29. ~~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.

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

31. ~~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.

32. ~~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.

33. ~~31.~~ **THIS COURT ORDERS** that the ~~Plaintiff~~Applicant shall have its costs of this ~~motion~~application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a

DRAFT: November 15, 2018

substantial indemnity basis to be paid by the Receiver from the ~~Debtor's estate~~Debtors' estates with such priority and at such time as this Court may determine.

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

DRAFT: 1 - November 15, 2018

DOCSTOR: 17717428

SCHEDULE A ~~SCHEDULE "A"~~

131 SARAMIA CRESCENT PROPERTY DETAILS

PIN: 03276 - 0174 LT

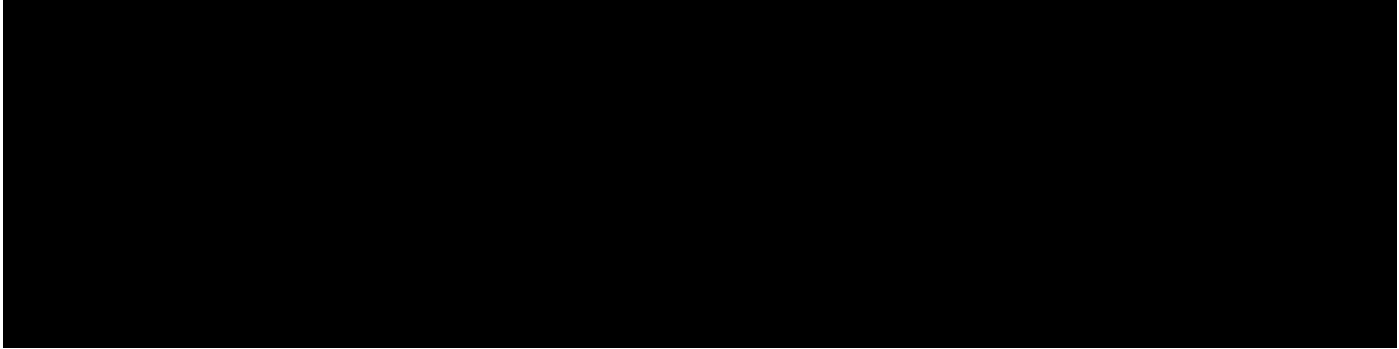
Description: PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331; S/T LT579695 VAUGHAN

Address: 131 Saramia Crescent, Vaughan, Ontario

DRAFT: 1 - November 15, 2018

SCHEDULE B

CONFIDENTIAL (TO BE SEALED)



DRAFT: 1 - November 15, 2018

SCHEDULE C

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to

any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the ____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____
Name:
Title:

GOODMANS\6877869

DRAFT: 1 - November 15, 2018

BRIDGING FINANCE INC., as
agent for 2665405 ONTARIO INC.

Applicant

BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803
ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT LTD.,
1087507 ONTARIO LIMITED, 1291546 ONTARIO INC., 1291547
ONTARIO INC., 352021 ONTARIO LIMITED, 2032686 ONTARIO
LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPH AQUINO
Respondents

Court File No.: _____

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER
(Receivership Application)

Goodmans LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190E)

Christopher G. Armstrong (LSO#: 55148B)

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicant

TAB 5

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BRIDGING FINANCE INC.

Applicant

-and-

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC.,
BONDFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED,
2032686 ONTARIO LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC.,
950504 ONTARIO INC. AND RALPH AQUINO**

Respondents

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

CONSENT TO ACT AS RECEIVER

KSV Kofman Inc. hereby consents to act as receiver without security, of all of the assets, undertakings and properties of the Respondents acquired for, or used in relation to the Respondents' business in accordance with the terms of the draft order substantially in the form attached hereto as Schedule "A".

DATED this 15th day of November, 2018.

KSV KOFMAN INC.

Per: Robert Kofman
Title: President

SCHEDULE "A"

Draft Order

Court File No. ●

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE

)

FRIDAY, THE 16TH

JUSTICE ●

)

DAY OF NOVEMBER, 2018

)

BETWEEN

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

- and -

BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC.,
BONDFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686
ONTARIO LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPH AQUINO

Respondents

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

ORDER
(Appointing Receiver)

THIS APPLICATION made by Bridging Finance Inc. (the “**Applicant**”), as agent for 2665405 Ontario Inc., 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 Kofman Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and

DRAFT: 1 - November 15, 2018

properties of Bondfield Construction Company Limited (“**BCCL**”), 1033803 Ontario Inc. operating as Forma-Con Construction and Forma Finishing, Bondfield Construction Equipment Ltd., 1087507 Ontario Limited, 1291546 Ontario Inc., 1291547 Ontario Inc., 352021 Ontario Limited, 2032686 Ontario Limited, Bondfield Group Inc., operating as BMC Masonry, 834076 Ontario Inc. and 950504 Ontario Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors as well as the real property known municipally as 131 Saramia Crescent in Vaughan, Ontario (“**131 Saramia Crescent**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Brian Champ sworn November 15, 2018, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Debtors and Zurich Insurance Company Ltd., no one else appearing although duly served as appears from the affidavit of service of [NAME] sworn [DATE], and on reading the consent of KSV to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of: (i) 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; and (ii) 131 Saramia Crescent, the details of which are specified on Schedule A hereto (collectively, 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, including, without limitation, BCCL's investment accounts at BMO Nesbitt Burns and Connor, Clark & Lunn Private Capital Ltd., the details of which are specified on confidential Schedule B hereto;
- (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 any Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform or disclaim any contracts of a Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of a Debtor in collecting such monies, including, without limitation, to enforce any security held by a Debtor;
- (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 a Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors (or any one of them), 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 file an assignment in bankruptcy on behalf of any Debtor, or to consent to the making of a bankruptcy order against a Debtor;
- (k) 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;
- (l) 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 \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$2,000,000; 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, shall not be required;

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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;
- (q) 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;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; 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 current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies

or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

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

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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 DEBTORS OR THE PROPERTY

9. **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

10. **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

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 any of the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the 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

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

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

PIPEDA

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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the

Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

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

RECEIVER’S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$3,000,000 (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, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website) 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: <http://www.ksvadvisory.com/insolvency-cases/Bondfield>.

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 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.

CRITICAL PAYMENTS

27. **THIS COURT ORDERS** that the Receiver may, with the written consent of the Applicant, make payments owing by the Debtors to subcontractors and other creditors on account of amounts owing prior to the date of this Order.

SEALING

28. **THIS COURT ORDERS** that, subject to further Order of this Court on a motion on not less than seven (7) business days’ notice to the Receiver and the Applicant, Schedule B to this Order be and is hereby sealed, provided that the Receiver or its counsel may disclose Schedule B to the applicable financial institutions specified on Schedule B hereto.

GENERAL

29. **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.

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

31. **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.

32. **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.

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

34. **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, the Applicant 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.

SCHEDULE A**131 SARAMIA CRESCENT PROPERTY DETAILS**

PIN: 03276 - 0174 LT

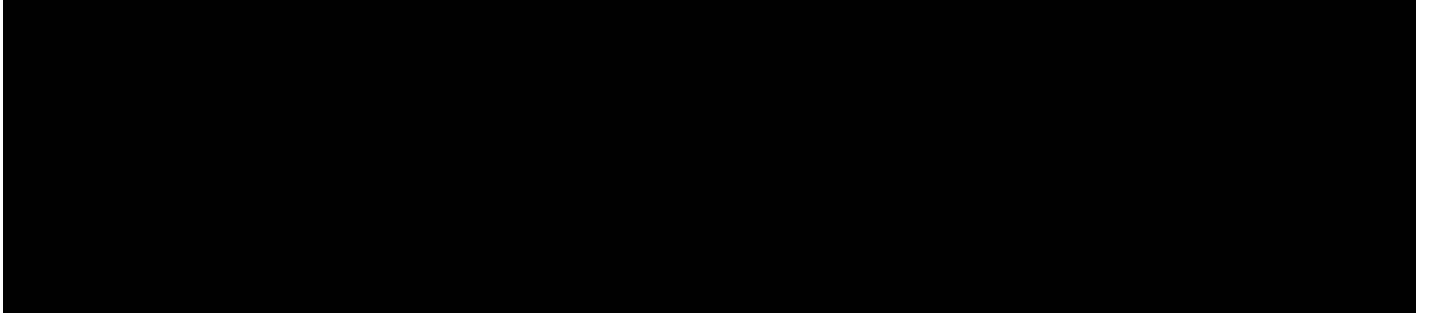
Description: PCL 11-1 SEC 65M2724; BLK 11 PL 65M2724; S/T LT590331; S/T LT579695
VAUGHAN

Address: 131 Saramia Crescent, Vaughan, Ontario

DRAFT: 1 - November 15, 2018

SCHEDULE B

CONFIDENTIAL (TO BE SEALED)



DRAFT: 1 - November 15, 2018

SCHEDULE C
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

[RECEIVER’S NAME], solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

DRAFT: 1 - November 15, 2018

**BRIDGING FINANCE INC., as
agent for 2665405 ONTARIO INC.**

Applicant

**BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803
ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT LTD.,
1087507 ONTARIO LIMITED, 1291546 ONTARIO INC., 1291547
ONTARIO INC., 352021 ONTARIO LIMITED, 2032686 ONTARIO
LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504
ONTARIO INC. AND RALPH AQUINO**
Respondents

Court File No.: _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(Receivership Application)**

Goodmans LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190F)

Christopher G. Armstrong (LSO#: 55148B)

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicant

BRIDGING FINANCE INC.

Applicant

- and -

BONDFIELD CONSTRUCTION COMPANY LIMITED, 1033803 ONTARIO INC., BONDFIELD CONSTRUCTION EQUIPMENT LTD., 1087507 ONTARIO LIMITED, 1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021 ONTARIO LIMITED, 2032686 ONTARIO LIMITED, BONDFIELD GROUP INC., 834076 ONTARIO INC., 950504 ONTARIO INC. AND RALPH AQUINO

Respondents

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

Court File No:

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

Proceeding commenced at Toronto

CONSENT TO ACT AS RECEIVER

Torys LLP

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Email: sbomhof@torys.com

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Fax: 416.865.7380

Email: aslavens@torys.com

Lawyers for KSV Kofman Inc.

**BRIDGING FINANCE INC., as agent for 2665405
ONTARIO INC.**

Applicant

**BONDFIELD CONSTRUCTION COMPANY LIMITED,
1033803 ONTARIO INC., BONDFIELD CONSTRUCTION
EQUIPMENT LTD., 1087507 ONTARIO LIMITED,
1291546 ONTARIO INC., 1291547 ONTARIO INC., 352021
ONTARIO LIMITED, 2032686 ONTARIO LIMITED,
BONDFIELD GROUP INC., 834076 ONTARIO INC.,
950504 ONTARIO INC. AND RALPH AQUINO**

Respondents

Court File No.: _____

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

APPLICATION RECORD

(Returnable November 16, 2018)

Goodmans LLP

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Howard Wise (LSO#: 25190F)

Christopher G. Armstrong (LSO#:55148B)

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicant