Court File No. CL-26-00000233-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF 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

B E T W E E N:

CC2 (100) GP INC.

Applicant

and

KING DAVID INC.

Respondent

APPLICATION RECORD

May 25, 2026

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinson-wright.com
Tel: (416) 644-2866

Lawyers for the Applicant

TO: THE SERVICE LIST

SERVICE LIST
KING DAVID INC.

TO:	**KING DAVID INC.** 212 King Street West Suite 204 Toronto ON, M5H 1K5 *Respondent*
AND TO:	**HELEN ROMAN-BARBER** 41 Glengrove Ave E Toronto, ON M4N 1E6 Email: rooney@paulfrooneyprofcorp.com; romanh@romandale.com *Guarantor*
AND TO:	**KSV RESTRUCTURING INC.** 220 Bay St. Suite 1300, Toronto, ON M5J 2W4 **Bobby Kofman** Tel: 647.282.6228 Email: bkofman@ksvadvisory.com **Noah Goldstein** Tel: 416.932.6207 Email: ngoldstein@ksvadvisory.com *Proposed Receiver*
AND TO:	**CHAITONS LLP** 5000 Yonge Street, 10th Floor, Toronto ON M2N 7E9 **George Benchetrit** Tel: 416.218.1141 Email: george@chaitons.com *Lawyers for the Proposed Receiver*
AND TO:	**ROMANDALE FARMS LIMITED** 212 King Street West, Suite 204 Toronto, ON M5H 1K5

	Email: romanh@romandale.com
AND TO:	**ROSS NASSERI LLP** 312 Adelaide St. W, Suite 700 Toronto, ON M5V 1R2 Avi Bourassa Tel: 416.613.7893 Email: abourassa@rossnasseri.com Gordon Vance Tel: 416.572.4908 Email: gvance@rossnasseri.com Eric Block Tel: 416.572.4909 Email: eblock@rossnasseri.com *Lawyers for King David Inc. and Helen Roman-Barber in Court File No. CV-23-00710411-00CL*
AND TO:	**FIRST SOURCE FINANCIAL MANAGEMENT INC.** 2 Sheppard Ave E Suite 605, North York, ON M2N 5M9 *Applicant in Court File No. CV-23-00710411-00CL*
AND TO:	**PALIARE ROLAND ROSENBERG ROTHSTEIN LLP** 155 Wellington Street West, 35th Floor Toronto ON M5V 3H1 Tel: 416.646.4300 **Jeffrey Larry (44608D)** Tel: 416.646.4330 Email: jeff.larry@paliareroland.com **Daniel Rosenbluth (71044U)** Tel: 416.646.6307 Email: daniel.rosenbluth@paliareroland.com *Lawyers for the Applicant in Court File No. CV-23-00710411-00CL*
AND TO:	**CANADA REVENUE AGENCY** c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36

	130 King Street West, Suite 3400 Toronto, ON M5X 1K6 Attention: Diane Winters Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
AND TO:	**MINISTRY OF FINANCE (ONTARIO)** Legal Services Branch 33 King Street West, 6th Floor Oshawa, ON L1H 8H5 Email: insolvency.unit@ontario.ca

Emails: bkofman@ksvadvisory.com; ngoldstein@ksvadvisory.com; rooney@paulfrooneyprofcorp.com; george@chaitons.com; romanh@romandale.com; abourassa@rossnasseri.com; gvance@rossnasseri.com; jeff.larry@paliareroland.com; daniel.rosenbluth@paliareroland.com; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; insolvency.unit@ontario.ca;

INDEX

TAB 1

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF 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

B E T W E E N:

(Court Seal)

CC2 (100) GP INC.

Applicant

- and -

KING DAVID INC.

Respondent

NOTICE OF APPLICATION

TO THE RESPONDENT

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

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

☐ In person
☐ By telephone conference
☒ By video conference

at the following location:

Commercial List Court, 330 University Avenue, Toronto, ON

on a date to be set by a Judge presiding over the Commercial List.

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

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

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

Date May 14, 2026 Issued by ______________________________

Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto ON
M5G 1R7

TO: **KING DAVID INC.**
212 King Street West
Suite 204
Toronto ON, M5H 1K5

APPLICATION

1. The Applicant makes application for:

   (a) if necessary, an Order abridging the time for service and filing of this Notice of Application and the Application Record and dispensing with further notice thereof;

   (b) an Order, in the form attached hereto as Schedule "A", appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "**Receiver**") of:

      (i) the lands and premises municipally known as 100 Cathedral High Street, Markham, Ontario (the "**Real Property**"), and

      (ii) all personal property of King David Inc. (the "**Debtor**") relating to the Real Property, including the proceeds thereof,

   pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B 3 (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C 43 (the "**CJA**");

   (c) its costs of this application, plus all applicable taxes; and

   (d) such further and other relief as to this Honourable Court may seem just.

2. The grounds for the application are:

   (a) The Debtor is indebted to the Applicant in connection with a loan facility in the principal amount of $5,000,000 (the "**Facility**"), given by the assignor of the Facility and the Security (the "**Assignor**") and accepted by the Debtor and by Helen Roman-Barber, as guarantor (the "**Guarantor**");

(b) As security for the Facility, the Assignor held, among other things, a first charge against the Real Property registered on March 24, 2022 (the "**First Charge**"), a general assignment of leases and rents and a general, first priority, site-specific security agreement against the present and after acquired personal property of the Debtor (but not its tenants) relating solely to the Real Property (the "**GSA**");

(c) Notice of the Assignor's security interest under the GSA was registered under the *Personal Property Security Act (Ontario)* on October 02, 2023;

(d) The First Charge secures payment of the principal sum of $5,000,000, together with interest at the greater of: (i) 12.25% per annum; or (ii) the Canadian Imperial Bank of Commerce prime rate plus 5.05% per annum, calculated monthly, not in advance, for the first twelve months following the Closing Date, and thereafter at the greater of: (iii) 20.25% per annum; or (iv) the Canadian Imperial Bank of Commerce prime rate plus 13.05% per annum, calculated monthly, not in advance;

(e) The Real Property is a 1.48-acre parcel of vacant land, currently approved for a mid-rise residential condominium building, located within the Cathedraltown development in the City of Markham;

(f) The Real Property is subject to a second charge in the principal amount of $3,500,000, which is currently held by Romandale Farms Inc.;

(g) The Facility matured in December 2024, and the Debtor failed to repay the amounts owing on the maturity date. As a result, the Facility went into default and, on January 16, 2025, the Assignor made written demand on the Debtor and the

Guarantor for payment of the indebtedness owing under the Facility, being $5,139,127.42, and issued a Notice of Intention to Enforce Security pursuant to section 244 of the *BIA*;

(h) Thereafter, by a forbearance agreement dated February 4, 2025, the Assignor agreed to temporarily forbear from enforcing its rights under the Facility and the Security, subject to certain terms and conditions, which forbearance expired on December 1, 2025, and the Debtor remains in default;

(i) The First Charge contains a contractual right to appoint a receiver over the Real Property upon default;

(j) The GSA also contains a contractual right to appoint a receiver over the Applicant's collateral upon default;

(k) Pursuant to a Transfer of Charge registered April 21, 2026, the First Charge and the related security were transferred to the Applicant;

(l) As of April 30, 2026, the amount owing under the Facility was $4,498,916.21, exclusive of legal fees and disbursements;

(m) The Debtor owns additional properties that are the subject of a separate court-supervised receivership proceeding before this Honourable Court, in which TDB Restructuring Limited has been appointed receiver;

(n) A Court-appointed receiver would best be suited to manage and maintain the Real Property and to implement and a fair and transparent process to market and sell the Real Property, having regard for the interests of all of the Debtor's stakeholders;

(o) In the circumstances, it is just and convenient that a receiver be appointed;

(p) Section 243(1) of the *BIA*, section 101 of the *CJA*, and Rules 3.02(1), 16.08 and 14.05(3)(d), (e), (f), (g) and (h) of the *Rules of Civil Procedure*; and,

(q) Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

(a) The Affidavit of Jonathan Tkatch, sworn on May 14, 2026, and the exhibits thereto;

(b) The Consent of KSV Restructuring Inc. to act as Receiver; and

(c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 14, 2026

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4
Fax: 1-844-670-6009

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant

Schedule "A"

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF 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

THE HONOURABLE	)	……., THE ….TH
	)	
JUSTICE ….	)	DAY OF **[MONTH]**, 2026

B E T W E E N:

CC2 (100) GP INC.

Applicant

- and -

KING DAVID INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties of the Respondent King David Inc. (the "**Debtor**"), was heard this day by Zoom judicial videoconference.

ON READING the affidavit of Jonathan Tkatch sworn on May 14, 2026, and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, counsel for …., no one else appearing although duly served as appears from the affidavit of service of …. sworn …., and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and Application Record 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 *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, KSV Restructuring Inc. is hereby appointed Receiver, without security, of:

(a) the lands and premises municipally known as 100 Cathedral High Street, Markham, Ontario, and legally described in Schedule "A-1" to this Order (the "**Real Property**"); and

(b) all personal property of the Debtor relating to the Real Property, including all proceeds thereof;

(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;

b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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 or any part or parts thereof;

f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

g) to settle, extend or compromise any indebtedness owing to the Debtor;

h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

k) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, 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;

l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the Receiver's administration, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, 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 access 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. For greater certainty, and without limiting the generality of the foregoing, the Receiver is authorized and empowered to access and make, retain and take away copies of the Records of the Debtor in respect of the Property located at the offices of the Debtor

and the Debtor shall cooperate and shall provide reasonable assistance to the Receiver with respect to such Records and information contained in such Records.

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 DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, 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 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 are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers,

facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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 Appointment Accounts") and the monies standing to the credit of such Post Appointment Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such

personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or 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 $250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in

favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" 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 at https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf) 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: …..

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

records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

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

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

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

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

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

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

33. THIS COURT ORDERS that this Order is effective from today's date and is not required to be entered.

SCHEDULE "A-1"

LANDS AND PREMISES

PIN: 03052-2361 (LT)

BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

Municipal Address: 100 Cathedral High Street, Markham, Ontario

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_____________________

1. THIS IS TO CERTIFY that KSV Restructuring Inc.., the Receiver (the "**Receiver**") of all of the assets, undertakings and properties of King David Inc. (the "**Debtor**"), including the lands and premises municipally known as 100 Cathedral High Street, Markham, Ontario (the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the …………. (the "**Order**") made in an application having Court file number …….., 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 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.

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 ______________, 2026.

KSV Restructuring Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ___________________________________

Name:

Title:

CC2 (100) GP INC. -and- **KING DAVID INC.**
Applicant Respondent

Court File No.

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

ORDER
(Appointing Receiver)

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant

CC2 (100) GP INC. -and- **KING DAVID INC.**
Applicant Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF APPLICATION

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4
Fax: 1-844-670-6009

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant

TAB 2

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF 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

B E T W E E N:

CC2 (100) GP INC.

Applicant

- and -

KING DAVID INC.

Respondent

AFFIDAVIT OF JONATHAN TKATCH
(Sworn May 14, 2026)

I, JONATHAN TKATCH, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am a director of the Applicant CC2 (100) GP Inc (the "**Applicant**"). The Applicant is the assignee of the Facility and the Security (both hereinafter defined). As such, I have personal knowledge of the matters to which I hereinafter depose.

2. I am swearing this Affidavit in support of an application to appoint KSV Restructuring Inc. ("**KSV**") as receiver and manager of the lands and premises municipally known as 100 Cathedral

High Street, in Markham, Ontario (the "**Real Property**") owned by the Respondent King David Inc. (the "**Debtor**") and the personal property of the Debtor relating to the Real Property, including the proceeds thereof.

I. The Debtor

3. The Debtor is an Ontario corporation with its registered or head office at 212 King Street West, Suite 204, in Toronto. A copy of a current Ontario profile report in respect of the Debtor is attached as **Exhibit A**.

II. The Real Property

4. The Real Property is a 1.48-acre parcel of vacant land, within the Cathedraltown development, in the City of Markham. It is identified as PIN 03052-2361 (LT) and legally described as:

> BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

5. Attached as **Exhibit B** is a copy of a parcel register, dated April 28, 2026, in respect of the Real Property.

6. Pursuant to a commitment letter dated September 18, 2023 (the "**Commitment**") given by the assignor of the Facility and the Security (the "**Assignor**") and accepted by the Debtor and by Helen Roman-Barber, as guarantor (the "**Guarantor**"), the Assignor extended a facility of $5 million to the Debtor (the "**Facility**"), for a term of thirteen months, with interest at the greater of (i) 12.25% per annum (increasing to 20.25% per annum after 12 months), and (ii) the floating

annual rate of interest established by Canadian Imperial Bank of Commerce ("**Prime**") plus 5.05% per annum (increasing to Prime plus 13.05% per annum after 12 months), calculated monthly, not in advance. A copy of the Commitment is attached as **Exhibit C**.

7. As security for the Facility, the Assignor received, among other things:

(a) a first charge registered against the Real Property on October 17, 2023, as Instrument No. YR3608760 (the "**First Charge**");

(b) a site-specific general security agreement dated October 17, 2023, securing all present and after-acquired personal property of the Debtor relating to the Real Property (the "**GSA**"); and

(c) a guarantee from the Guarantor dated October 17, 2023 (the "**Guarantee**").

8. Copies of the First Charge, the GSA and the Guarantee are attached as **Exhibits D, E, and F**, respectively. The security for the Facility, including but not limited to the First Charge, the GSA and the Guarantee, is hereinafter referred to, collectively, as the "**Security**".

9. Each of the First Charge and the GSA contain contractual rights to appoint a receiver upon default.

III. Other Encumbrances

10. The Real Property is subject to second charge in the principal amount of $3,500,000 (the "**Second Charge**") registered as Instrument No. YR3608774 on October 17, 2023, in

favour of Romandale Farms Inc. ("**Romandale**"). A copy of the Second Charge is attached as **Exhibit G**.

11. Pursuant to a Transfer of Charge registered as Instrument No. YR3608789 on October 17, 2023, the Second Charge was transferred to AFC Mortgage Administration Inc. and Brexit Holdings Inc. A copy of the Transfer of Charge is attached as **Exhibit H**.

12. Pursuant to a Transfer of Charge registered as Instrument No. YR3760434 on January 23, 2025, the Second Charge was transferred back to Romandale. A copy of the Transfer of Charge is attached as **Exhibit I**.

13. A copy of a PPSA summary in respect of the Debtor, current as of April 23, 2026, is attached as **Exhibit J**. Apart from PPSA registrations associated with the GSA, the following parties hold PPSA registrations against the Debtor:

Royal Bank of Canada
The Sovereign General Insurance Company First Source Financial Management Inc.

IV. Forbearance Agreement

14. The Facility matured on December 1, 2024, but was not repaid.

15. On January 16, 2025, the Assignor, through its lawyers, made formal demand on the Debtor and the Guarantor for payment of $5,139,127.42 owing under the Facility and issued

a Notice of Intention to Enforce Security pursuant to section 244 of *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"). Copies of the demand and the section 244 notice are attached, collectively, as **Exhibit K**.

16. Subsequently, on February 4, 2025, the Assignor, the Debtor and the Guarantor entered into a Forbearance Agreement, pursuant to which, among other things:

(a) the Assignor agreed to forbear from exercising its remedies under the Security until December 1, 2025;

(b) the Debtor and the Guarantor agreed that:

i. as at February 1, 2025, the indebtedness owing the Facility was $5,184,544.66;

ii. as at February 1, 2025, there is no dispute regarding the quantum of the indebtedness;

iii. there is no dispute respecting the liability of the Debtor and the Guarantor to repay the indebtedness; and

iv. the Security is good and valid security for payment of the indebtedness.

17. A copy of the Forbearance Agreement is attached as **Exhibit L**.

V. Transfer of Security to the Applicant

18. Pursuant to a Transfer of Charge registered as Instrument No. YR3916309 on April 21, 2026, the First Charge was transferred by the Assignor to the Applicant. A copy of the Transfer of Charge is attached as **Exhibit M**.

19. As reflected in the PPSA summary, the PPSA registration associated with the GSA was also assigned to the Applicant.

VI. Expiry of Forbearance Period

20. Notwithstanding the expiry of the forbearance period on December 1, 2025, the Facility remains unpaid.

21. As of April 30, 2026, the indebtedness owing under the Facility was $4,498,916.21 excluding legal fees and disbursements. A copy of a statement of account under the Facility as at April 30, 2026, is attached as **Exhibit N**.

VII. Other Receivership Proceeding Involving the Debtor

22. The Debtor owns other properties (the "**Other Properties**") that are the subject of a separate receivership proceeding before the Commercial List, in Court File No. CV-23-0071411-00CL, in which TDB Restructuring Limited (formerly RSM Canada Limited) is the Court-appointed receiver. A copy of the Order (Appointing Receiver) of Justice Steele dated December 21, 2023, in the other proceeding is attached as **Exhibit O**.

23. The Other Properties are identified as PINS:

03252-2346 (LT)

03252-2356 (LT)

03252-2358 (LT)

03252-2359 (LT)

and are located within the Cathedraltown development to the east of the Real Property. A copy of a PIN map showing the relative location of the Other Properties and the Real Property is attached as **Exhibit P**.

24. On September 11, 2025, Justice Steele approved a stalking horse sale process of the Other Properties. A copy of Her Honour's Order (Sale Process and Stalking Horse APS) is attached as **Exhibit Q**.

25. A motion for an approval and vesting order with respect to the Other Properties is scheduled for hearing on May 25, 2026. A copy of scheduling endorsement of Justice Dietrich dated April 1, 2026, with respect to the motion is attached as **Exhibit R**.

VIII. Just and Convenient to Appoint a Receiver

26. The appointment of KSV Restructuring Inc. as receiver and manager of the Real Property, and the personal property of the Debtor relating to the Real Property, is just and convenient in the circumstances for the following reasons:

(a) the Facility has matured;

(b) the statutory ten-day period under the BIA has expired;

(c) the forbearance period under the Forbearance Agreement has expired;

(d) the Debtor failed to repay the amounts owing under the Facility and the Forbearance Agreement;

(e) the First Charge and the GSA contain contractual rights to appoint a receiver upon default;

(f) the Other Properties owned by the Debtor are also the subject of a Court-supervised receivership proceeding; and

(g) a Court-appointed receiver is best suited to implement a fair and transparent process to market and sell the Real Property, having regard for the interests of all of the Debtor's stakeholders.

SWORN by **JONATHAN TKATCH**, at the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on May 14, 2026, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:
5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

DocuSigned by:
Jonathan Tkatch
E88B38505A6C461...

JONATHAN TKATCH

This is Exhibit "**A**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C

Commissioner for Taking Affidavits
(or as may be)

David Preger

Transaction Number: APP-A11090458626
Report Generated on April 06, 2026, 13:47

Ontario

Ministry of Public and
Business Service Delivery

Profile Report

KING DAVID INC. as of April 06, 2026

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	KING DAVID INC.
Ontario Corporation Number (OCN)	5054359
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Amalgamation	September 01, 2021
Registered or Head Office Address	212 King Street West, Suite 204, Toronto, Ontario, M5H 1K5, Canada

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

V. Quintanilla W.

Director/Registrar

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

Minimum Number of Directors	1
Maximum Number of Directors	10

Active Director(s)

Name	J. PETER ROMAN
Address for Service	212 King St West, 204, Toronto, Ontario, M5H 1K5, Canada
Resident Canadian	Yes
Date Began	September 01, 2021
Name	HELEN ROMAN-BARBER
Address for Service	212 King St West, 204, Toronto, Ontario, M5H 1K5, Canada
Resident Canadian	Yes
Date Began	September 01, 2021

Active Officer(s)

Name	DIANA BEYER
Position	Authorized Signing Officer
Address for Service	212 King Street West, 204, Toronto, Ontario, M5H 1K5, Canada
Date Began	September 01, 2021

Name	CLAIRE HUGHES
Position	Authorized Signing Officer
Address for Service	212 King Street West, 204, Toronto, Ontario, M5H 1K5, Canada
Date Began	September 01, 2021

Name	J. PETER ROMAN
Position	Vice-President
Address for Service	212 King Street West, 204, Toronto, Ontario, M5H 1K5, Canada
Date Began	September 01, 2021

Name	HELEN ROMAN-BARBER
Position	President
Address for Service	212 King Street West, 204, Toronto, Ontario, M5H 1K5, Canada
Date Began	September 01, 2021

Corporate Name History

Name	KING DAVID INC.
Effective Date	September 01, 2021

Amalgamating Corporations

Corporation Name	2487477 ONTARIO INC.
Ontario Corporation Number	2487477
Corporation Name	KING DAVID INC.
Ontario Corporation Number	1736215

Active Business Names

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

Expired or Cancelled Business Names

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

Document List

Filing Name	Effective Date
Annual Return - 2024 PAF: MARY-JANE GOVERS	March 06, 2025
Archive Document Package	August 12, 2024
Annual Return - 2023 PAF: MARY-JANE GOVERS	March 12, 2024
Annual Return - 2022 PAF: MARY-JANE GOVERS	February 28, 2023
Annual Return - 2021 PAF: Mary-Jane GOVERS	June 07, 2022
CIA - Initial Return PAF: Paul F. ROONEY	December 02, 2021
BCA - Articles of Amalgamation	September 01, 2021

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

This is Exhibit "**B**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Ontario ServiceOntario

LAND REGISTRY OFFICE #65

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

03052-2361 (LT)

PREPARED FOR Jonathan
ON 2026/04/28 AT 10:39:21

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

PROPERTY DESCRIPTION: BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER: FEE SIMPLE ABSOLUTE

RECENTLY: SUBDIVISION FROM 03052-2360

PIN CREATION DATE: 2018/02/27

OWNERS' NAMES: KING DAVID INC.

CAPACITY | SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2018/02/27 **						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
YR754049	2005/12/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: MULTI - AERONAUTICS ACT AND THE PICKERING AIRPORT SITE ZONING REGULATIONS - AFFECTS ALL/PT VARIUOS LANDS - ADDED 2006/01/16 G.PONZO.						
YR1000176	2007/06/14	NOTICE		*** DELETED AGAINST THIS PROPERTY *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	
YR1466785	2010/04/19	CHARGE		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	
YR2411519	2016/01/04	CHARGE		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	THE GUARANTEE COMPANY OF NORTH AMERICA	
YR2616280	2017/01/26	TRANSFER EASEMENT	$2	KING DAVID INC.	SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	C
REMARKS: PLANNING ACT STATEMENTS.						
YR2647162	2017/03/31	CHARGE		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	CAMERON STEPHENS FINANCIAL CORPORATION	
YR2647163	2017/03/31	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR2647162.						
YR2647185	2017/03/31	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** THE GUARANTEE COMPANY OF NORTH AMERICA	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR2411519 TO YR2647162						
YR2647186	2017/03/31	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR1466785 TO YR2647162						

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2775418	2017/12/19	CHARGE		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	CAMERON STEPHENS FINANCIAL CORPORATION	
YR2775419	2017/12/19	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** KING DAVID INC.	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR2775418.						
YR2775423	2017/12/19	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR1466785 TO YR2775418						
YR2775424	2017/12/19	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** THE GUARANTEE COMPANY OF NORTH AMERICA	CAMERON STEPHENS FINANCIAL CORPORATION	
REMARKS: YR2411519 TO YR2775418						
65M4597	2018/02/22	PLAN SUBDIVISION				C
YR2798942	2018/02/26	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF MARKHAM	KING DAVID INC.	C
YR2798943	2018/02/26	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** CAMERON STEPHENS FINANCIAL CORPORATION	THE CORPORATION OF THE CITY OF MARKHAM	
REMARKS: YR2647162, YR2647163 TO YR2798942						
YR2798944	2018/02/26	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	THE CORPORATION OF THE CITY OF MARKHAM	
REMARKS: YR1466785 TO YR2798942						
YR2799028	2018/02/26	APL ANNEX REST COV		KING DAVID INC.		C
REMARKS: NO EXPIRY DATE						
YR2819439	2018/04/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** CAMERON STEPHENS FINANCIAL CORPORATION		
REMARKS: YR2647162.						
YR2913033	2018/12/20	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC. EMPIRICAL CAPITAL CORP.	
YR2913034	2018/12/20	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC. EMPIRICAL CAPITAL CORP.	
REMARKS: YR1466785 TO YR2913033						

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2913035	2018/12/20	POSTPONEMENT		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA	FIRST SOURCE FINANCIAL MANAGEMENT INC. EMPIRICAL CAPITAL CORP.	
REMARKS: YR2411519 TO YR2913033						
YR2913036	2018/12/20	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC. EMPIRICAL CAPITAL CORP.	
REMARKS: YR2616280 TO YR2913033						
YR2913818	2018/12/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** CAMERON STEPHENS FINANCIAL CORPORATION		
REMARKS: YR2775418.						
YR2969274	2019/06/06	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
YR2969275	2019/06/06	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: YR2969274.						
YR2969282	2019/06/06	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: DR1799627 TO YR2969274						
YR2969283	2019/06/06	POSTPONEMENT		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: YR2411519 TO YR2969274						
YR2969554	2019/06/07	DISCH OF CHARGE		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC. EMPIRICAL CAPITAL CORP.		
REMARKS: YR2913033.						
YR2983087	2019/07/12	APL (GENERAL)		*** COMPLETELY DELETED *** KING DAVID INC.		
REMARKS: YR1000176.						
YR3042860	2019/12/05	CHARGE		*** COMPLETELY DELETED ***		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
YR3042861	2019/12/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: YR3042860						
YR3043281	2019/12/05	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
YR3043282	2019/12/05	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: YR3043281						
YR3044912	2019/12/11	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	THE GUARANTEE COMPANY OF NORTH AMERICA	
REMARKS: YR1466785 TO YR2411519						
YR3046154	2019/12/13	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY		
REMARKS: YR3042860.						
YR3049182	2019/12/19	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	THE GUARANTEE COMPANY OF NORTH AMERICA	
YR3049183	2019/12/19	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	THE GUARANTEE COMPANY OF NORTH AMERICA	
REMARKS: YR1466785 TO YR3049182 DELETED 2021/07/28 BY E.HALLOWELL						
YR3049184	2019/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA		
REMARKS: YR2411519.						
YR3049679	2019/12/20	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY	
REMARKS: YR1466785 TO YR3043281						
YR3049995	2019/12/20	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				OLYMPIA TRUST COMPANY		
REMARKS: YR2969274.						
YR3120562	2020/07/21	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
YR3120563	2020/07/21	POSTPONEMENT		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR3049182 TO YR3120562						
YR3120564	2020/07/21	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR2616280 TO YR3120562						
YR3120565	2020/07/21	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR1466785 TO YR3120562						
YR3125303	2020/08/04	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED	
YR3125304	2020/08/04	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KING DAVID INC.	VECTOR FINANCIAL SERVICES LIMITED	
REMARKS: YR3125303 RENTS						
YR3125305	2020/08/04	POSTPONEMENT		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.	VECTOR FINANCIAL SERVICES LIMITED	
REMARKS: YR3120562, YR3120563, YR3120564, YR3120565 TO YR3125303						
YR3125306	2020/08/04	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	VECTOR FINANCIAL SERVICES LIMITED	
REMARKS: YR1466785 TO YR3125303						
YR3125307	2020/08/04	POSTPONEMENT		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA	VECTOR FINANCIAL SERVICES LIMITED	
REMARKS: YR3049182 TO YR3125303						
YR3125309	2020/08/04	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED OLYMPIA TRUST COMPANY		
REMARKS: YR3043281.						
YR3184468	2020/12/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE GUARANTEE COMPANY OF NORTH AMERICA		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: YR3049182.						
YR3290220	2021/07/29	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
YR3290221	2021/07/29	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KING DAVID INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR3290220						
YR3290222	2021/07/29	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR1466785 TO YR3290220						
YR3290223	2021/07/29	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR2616280 TO YR3290220						
YR3290224	2021/07/29	POSTPONEMENT		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR3120562 TO YR3290220						
YR3290700	2021/07/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
REMARKS: YR3125303.						
YR3458533	2022/07/28	NOTICE		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.	KING DAVID INC.	
REMARKS: YR3290220						
YR3458535	2022/07/28	POSTPONEMENT		SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
REMARKS: YR2616280 TO YR3458533						
YR3458536	2022/07/28	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	FIRST SOURCE FINANCIAL MANAGEMENT INC.	
REMARKS: YR1466785 TO YR3458533						
YR3458988	2022/07/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.		
REMARKS: YR3120562.						
YR3581847	2023/08/03	CHARGE		*** COMPLETELY DELETED *** KING DAVID INC.	ROMANDALE FARMS LIMITED	
YR3581853	2023/08/03	TRANSFER OF CHARGE		*** COMPLETELY DELETED ***		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				ROMANDALE FARMS LIMITED	AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	
REMARKS: YR3581847.						
YR3608760	2023/10/17	CHARGE	$5,000,000	KING DAVID INC.	HARLO FINANCIAL GP INC. HF MARKHAM (CC2) LP	C
YR3608761	2023/10/17	NO ASSGN RENT GEN		KING DAVID INC.	HARLO FINANCIAL GP INC.	C
REMARKS: YR3608760						
YR3608764	2023/10/17	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	HARLO FINANCIAL GP INC.	
REMARKS: YR1466785 TO YR3608760						
YR3608765	2023/10/17	POSTPONEMENT		SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	HARLO FINANCIAL GP INC.	C
REMARKS: YR2616280 TO YR3608760						
YR3608774	2023/10/17	CHARGE	$3,500,000	KING DAVID INC.	ROMANDALE FARMS LIMITED	C
YR3608789	2023/10/17	TRANSFER OF CHARGE		ROMANDALE FARMS LIMITED	AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	C
REMARKS: YR3608774.						
YR3608790	2023/10/17	POSTPONEMENT		*** COMPLETELY DELETED *** SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	
REMARKS: YR1466785 TO YR3608774						
YR3608791	2023/10/17	POSTPONEMENT		SLOVAK GREEK CATHOLIC CHURCH FOUNDATION	AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	C
REMARKS: YR2616280 TO YR3608774						
YR3609072	2023/10/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.		
REMARKS: YR3290220.						
YR3609090	2023/10/18	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	ROMANDALE FARMS LIMITED	
REMARKS: YR3581847						
YR3609097	2023/10/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROMANDALE FARMS LIMITED		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: YR3581847.						
YR3618019	2023/11/14	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE CATHEDRAL OF THE TRANSFIGURATION FOUNDATION		
REMARKS: YR1466785.						
YR3760434	2025/01/23	TRANSFER OF CHARGE		AFC MORTGAGE ADMINISTRATION INC. BREXIT HOLDINGS INC.	ROMANDALE FARMS LIMITED	C
REMARKS: YR3608789. YR3608774						
YR3916309	2026/04/21	TRANSFER OF CHARGE		HARLO FINANCIAL GP INC. HF MARKHAM (CC2) LP	CC2 (100) GP INC.	
REMARKS: YR3608760.						
YR3917901	2026/04/28	NO ASSGN RENT GEN		HARLO FINANCIAL GP INC. HF MARKHAM (CC2) LP	CC2 (100) GP INC.	

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

This is Exhibit "**C**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

HARLO FINANCIAL

September 18, 2023

BY E-MAIL

King David Inc.
212 King Street West, Suite 204
Toronto, Ontario M5H 1K5

Attention: Helen Roman-Barber

Re: Mortgage loan from HF Markham (CC2) LP (the "**Lender**") to King David Inc. (the "**Borrower**") on the security of, *inter alia*, a charge/mortgage of the lands and premises municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario and legally described in Schedule "A" attached (the "**Real Property**")

Dear Sirs/Madams:

The Lender is pleased to advise you of its commitment, subject to acceptance by the Borrower, to provide a certain loan facility (the "**Facility**"), subject to syndication, to the Borrower on the terms and conditions set forth in this letter (the "**Commitment Letter**"). The terms of the Facility are as follows:

1. **Borrower**. King David Inc., being the registered owner of the Real Property.

2. **Lender**. HF Markham (CC2) LP

3. **Guarantor**. Helen Roman-Barber (the "**Guarantor**" and together with the Borrower, the "**Loan Parties**" and each, a "**Loan Party**") shall fully and unconditionally guarantee and indemnify the Lender for 100% of all obligations of the Borrower to the Lender under the Facility, and all the Lender's costs, interest, fees and payments due or owing in connection with the Facility.

4. **Facility: Amount and Description**. A term loan facility in an aggregate principal amount of $5,000,000.

5. **Facility: Availability and Draws**. The Facility shall be available in one lump sum advance on the Closing Date (as defined in Section 8), subject to the terms and conditions in this Commitment Letter. Once repaid, funds under the Facility may not be re-drawn.

6. **Purpose**. The Facility shall be used to re-finance the Property and payout the existing first mortgage and the transaction expenses incurred in connection therewith. The Real Property is 1.48 acres of vacant land.

7. **Full Recourse**. The Lender shall have full recourse to the Borrower, each of the other Loan Parties and all of their respective assets and property for all of their respective covenants, obligations, and liabilities under the Facility, subject to any limitations on liability set out in a guarantee.

8. **Closing Date**. The closing date is the date on which the advance under the Facility is made to the Borrower (the "**Closing Date**").

9. **Term, Maturity, and Amortization**. The Facility shall be for a term of thirteen (13) months from the date of the advance under the Facility (the "**Term**"). The Facility shall mature on the date (the "**Maturity Date**") that the Term expires.

10. **Interest**. The principal amount of the Facility shall bear interest as follows (the applicable rate of interest at any given time as set out below shall hereafter be the "**Interest Rate**"):

(a) from the Closing Date to the date that is twelve (12) months following the Closing Date, at a rate of the greater of: (i) 12.25% per annum; or (ii) the Canadian Imperial Bank of Commerce ("**CIBC**") prime rate plus 5.05% per annum, calculated monthly, not in advance, both before and after maturity or demand, and before and after default or judgment, and payable in accordance with Section 11 below;

(b) in the thirteenth (13^{th}) month following the Closing Date and thereafter, at a rate of the greater of (i) 20.25% per annum; or (ii) the CIBC prime rate plus 13.05% per annum, calculated monthly, not in advance, both before and after maturity or demand, and before and after default or judgment, and payable in accordance with Section 11 below;

Compound interest at the Interest Rate shall accrue on overdue interest from the payment date such overdue interest was payable on, both before and after maturity or demand, and before and after default or judgment, until paid. If the overdue interest and interest on such overdue interest are not paid by the next regular interest payment date after the default, then such overdue interest and compound interest on such overdue interest shall be added to the principal amount of the Facility, and continue to bear interest at the Interest Rate, compounded and payable on each date that interest is regularly payable under the Facility, until paid, both before and after maturity or demand, and before and after default or judgment.

11. **Repayment and Payments**. The Facility shall be repayable as follows:

(a) Interest at the Interest Rate on the principal amount of the Facility from the Closing Date to the first day of the first month after the Closing Date (the "**Interest Adjustment Date**") shall be deducted from the advance on the Closing Date.

(b) Interest only monthly payments at the Interest Rate on the outstanding principal shall be payable monthly in arrears on the first day of each month of the Term commencing one month after the Interest Adjustment Date.

(c) The balance of principal and interest and all other outstanding amounts payable under the Facility shall be repayable in full on the Maturity Date.

12. **Interest Reserve**. The amount of $612,500.00 from the initial advance of the Loan shall be allocated at the time of the initial advance for the purposes of payment to the Lender of the estimated interest accruing on the principal amount advanced under the Loan for the term, as and when the same becomes due and payable (the "**Interest Reserve**"). The entire Interest Reserve is deemed to be advanced with the initial advance of the Loan and the Interest Reserve shall be held or allocated by the Lender in a separate account or ledger. Until the Interest Reserve is fully utilized and prior to default, the Lender shall make monthly advances of interest payments from the Interest Reserve when due. Upon the full utilization of the Interest Reserve, the Borrower shall pay all further interest by way of pre-authorized debit as and when due.

13. **Prepayment**. The Facility is closed to prepayment for the first eight (8) months of the Term. Thereafter, provided there are no outstanding defaults by the Borrower under the Facility, the Borrower shall have the privilege of prepaying the principal amount of the Facility, in whole but not in part, with accrued interest at the Interest Rate on the principal being prepaid plus the Lender's costs charged under this Facility, upon at least thirty (30) days prior written notice to the Lender, which notice may be given at any time after the advance of the Loan, with the earliest prepayment date being the last day of the eighth (8^{th}) month of the Term. For greater certainty, partial discharges against any portion of the Real Property will not be permitted without the consent of the Lender in its sole discretion.

14. **Fees**. The Borrower shall pay the following fees to the Lender:

(a) In consideration for the time, effort and expense incurred by the Lender and its officers and employees in reviewing the financial and other information provided by the Borrower, and in conducting investigations, inspections and other due diligence necessary to prepare and approve the Facility, each of the Borrower and the Guarantor jointly and severally agree to pay the lender an evaluation and commitment processing fee of two percent (2.00%) of the Facility (being $100,000) (the "**Commitment Fee**"). Partial payment in the amount of $15,000 is acknowledged as received. A further partial payment in the amount of $25,000 shall be paid to the Lender upon acceptance of this Commitment Letter. The remaining balance of the Commitment Fee in the amount of $60,000 shall be paid to the Lender upon the earlier of the loan advance (to be deducted from the loan advance) or October 31, 2023. The Commitment Fee shall be fully earned upon acceptance of this Commitment Letter by the Borrower, whether or not the Facility is advanced (unless the Facility is not advanced due to default or non-performance of the Lender under the terms of this Commitment Letter), and represents a reasonable estimate of compensation to the Lender for its efforts and expenditures described above. The Borrower acknowledges that these fees are payable in full to the Lender as a genuine pre-estimation of liquidated damages, and not as a penalty for non-performance, without prejudice to the right of the Lender to claim such further and other damages as it may sustain; and

(b) The Lender's administration fees, as applicable, as set forth is Schedule "D" attached hereto.

15. **Security and Loan Documents**. The Loan Parties shall provide security and documentation for the Facility (collectively, including this Commitment Letter, the "**Loan Documents**") that are usual and customary for transactions of this type and, having regard to the results of the Lender's due diligence, each in form and substance satisfactory to the Lender and its counsel, including without limitation the following:

(a) Collateral mortgage or charge registered against title to the Real Property from the Borrower to the Lender, in the original principal amount of $5,000,000, in first priority, subject only to the Permitted Encumbrances;

(b) Unlimited Guarantee from the Guarantor of all the Borrower's obligations to the Lender relating to the Facility including, without limitation, all costs, interest fees or payments due or owing and postponement of claims by the Guarantor of the Borrower relating to any claims against the Borrower;

(c) General Security Agreement from the Borrower to the Lender registered under the *Personal Property Security Act* (Ontario) granting a first priority security interest over all assets of the Borrower, present and after-acquired (the "**Personal Property**") relating to the Real Property and limited to the property related to, associated with or derived from the Real Property;

(d) Assignment of Insurance Proceeds from the Borrower to the Lender with respect to the Real Property;

(e) The Lender shall have received an acceptable insurance binder or cover note, to be followed, within thirty (30) days of the issuance of the binder or cover note, satisfactory to the Lender, containing the requirements of Schedule "C" hereto and including evidence of a Comprehensive General Liability Insurance policy for the Real Property in an amount of not less than $10,000,000 per occurrence. The Commercial General Liability Policy must reference the Real Property and the Lender is to be added as first loss payee. The Lender will require the insurance policy(ies) to be reviewed by an

Independent Insurance Consultant, at the Borrower's expense and Permanent Insurance for 100% of replacement costs;

(f) General Assignment of Rents and Leases from the Borrower to the Lender, registered on title to the Real Property, in first priority, subject only to the Permitted Encumbrances and limited to the leases, rents, income and revenue derived from and associated with the Real Property;

(g) Assignment of all agreements relating to the operation, maintenance and management of the Real Property, including without limitation, all property management agreements (collectively, the "**Material Agreements**"), from the Borrower or the Loan Parties that are parties to the Material Agreements to the Lender;

(h) Environmental Indemnity from the Borrower and the Guarantor contemplated in Section 21(a) of this Commitment Letter that will survive repayment of the Facility;

(i) The Lender's Solicitor shall obtain Title Insurance, at the cost of the Borrower;

(j) Registered financing statements under the applicable personal property security legislation in each jurisdiction where the Personal Property is located to perfect the Lender's security interests in the Personal Property;

(k) A Priority and Standstill Agreement (the "**Slovak Priority Agreement**") with Slovak Greek Catholic Church Foundation (collectively the "**Second Mortgagee**") (and at the Lender's option, the Borrower), the terms of which must be satisfactory to the Lender in its sole discretions, containing among other matters the following: (a) confirmation that the outstanding balance of the Second Mortgagee's second mortgage (the "**Second Mortgage**") is no greater than $19,000,000; (b) confirmation that the interest rate under the Second Mortgage shall be no greater than 5% per annum; (c) confirmation that the Second Mortgage is not in default; (d) an agreement from the Second Mortgagee to deliver notice to the Lender of all defaults under the Second Mortgage ("**Second Mortgage Default**") concurrent with delivery of any such notice to Borrower; (e) a complete standstill by the Second Mortgagee with respect to enforcement of the Second Mortgage or any Second Mortgage Default and (f) an agreement that a default under the Second Mortgage shall be deemed a default under this Commitment Letter and the Loan Documents;

(l) A Priority and Standstill Agreement (the "**AFC Priority Agreement**") with AFC Mortgage Administration Inc. and Brexit Holdings Inc. (collectively the "**Third Mortgagee**") (and at the Lender's option, the Borrower), the terms of which must be satisfactory to the Lender in its sole discretions, containing among other matters the following: (a) confirmation that the outstanding balance of the Third Mortgagee's third mortgage (the "**Third Mortgage**") is no greater than $3,500,000.00; (b) confirmation that the interest rate under the Third Mortgage shall be no greater than the greater of 15.24% per annum and The Toronto Dominion Bank's prime rate plus 8.04% per annum; (c) confirmation that the Third Mortgage is not in default; (d) an agreement from the Third Mortgagee to deliver notice to the Lender of all defaults under the Third Mortgage

("**Third Mortgage Default**") concurrent with delivery of any such notice to Borrower; (e) a complete standstill by the Third Mortgagee with respect to enforcement of the Third Mortgage or any Third Mortgage Default, (f) an agreement that a default under the Third Mortgage shall be deemed a default under this Commitment Letter and the Loan Documents; and (g) an agreement by the Lender to enforce a default under the Loan Documents within sixty (60) days of receipt of notice of a Third Mortgage Default;

(m) An Acknowledgment from the Borrower and the Guarantor that a default under the Second Mortgage or the Third Mortgage shall constitute a default under the Commitment Letter and the Loan Documents;

(n) An Agreement from the Borrower, the Guarantor and all of their related parties/entities, subsidiaries, affiliates, successors and assigns that have an ownership interest in lands adjacent to the Real Property or in lands in proximity to the Real Property whose owners are required to receive notice of any Plans and Applications by any regulation, legislation, statute, level of government or governmental organization or body, that in the event of default under the Commitment Letter, not to object to (and if requested, to consent to) any changes to the zoning, architectural plans, site plan or sub-division of the Real Property or to any development applications or plans (collectively the "**Plans and Applications**") relating to the Real Property by the Lender or future owners of the Real Property. The said agreement shall survive and not merge upon the advance of the Facility or repayment of the Facility following an Event of Default that has not been cured;

(o) A trustee and beneficial owner agreement if the Borrower holds the Real Property as nominee and bare trustee for the sole use, benefit and advantage of another person or persons (the "**Beneficial Owner**"); and

(p) Such other loan and security documents reasonably requested by the Lender or its counsel.

16. **Conditions Precedent**. The obligations of the Lender under this Commitment Letter to advance the Facility is subject to the satisfaction, by the Closing Date or such earlier date set out below, or the waiver by the Lender in its discretion, of the following conditions precedent, all to be satisfactory to the Lender in its sole discretion:

(a) Site Inspection. The Lender shall be satisfied, in its sole discretion, with its site inspection of the Real Property and has received satisfactory confirmation that there is no fill present, equipment or materials stored on the Real Property and that the Real Property grounds are flat and graded level.

(b) Appraisal. The Lender shall be satisfied, in its sole discretion, with an appraisal of the Real Property delivered by the Borrower from a professional, qualified appraiser approved by the Lender, acting reasonably, addressed to the Lender or together with a letter of reliance addressed to the Lender, and confirming that the Real Property has a minimum as-is value of at least $12,000,000.

(c) Planning. The Lender shall be satisfied, in its sole discretion, with any planning reports, planning correspondence and planning applications in the possession of the Borrower, such reports to be delivered to the Lender if requested at the expense of the Borrower.

(d) Financial Covenants. The Lender shall be satisfied, in its sole discretion that the Borrower's and Guarantor's combined net worth is not less than $15,000,000 (not including the Real Property).

(e) Environmental. The Lender shall be satisfied, in its sole discretion, with all environmental reports, hydrogeological reports, ecological impact reports, including environmental remediation cost quotes for the Real Property, each prepared by a consultant acceptable to the Lender. The Borrower shall use best efforts to obtain a letter of reliance addressed to the Lender.

(f) Geotechnical and Engineering Reports. The Lender shall be satisfied, in its sole discretion, with all geotechnical investigations or other engineering reports, for the Real Property in the possession or control of the Borrower. If such geotechnical investigations have not been completed by the Borrower and are required by the Lender, the Lender will accept a desktop geotechnical investigation at the expense of the Borrower. The Borrower shall use best efforts to obtain a letter of reliance addressed to the Lender from the applicable consultant addressed to the Lender which confirms that the Lender and its assigns can rely upon such reports for lending purposes.

(g) Third Party Peer Reviews. The Lender will obtain, at the Borrower's expense, a third-party peer review of the various deliveries provided herein or as required by the Lender prior to Closing, from a firm approved by the Lender, and to the satisfaction of the Lender.

(h) Architectural Reports. The Lender shall be satisfied, in its sole discretion, with all architectural reports and/or drawings in the possession or control of the Borrower.

(i) Survey. The Borrower shall have delivered to the Lender an up-to-date survey of the Real Property, signed and sealed by an Ontario land surveyor, showing the boundaries of the Real Property, setback measurements, legal access to a public highway, location of all easements, encroachments, and improvements on the Real Property, the area of the Real Property and zoning compliance. If such survey is not available, the Lender shall accept a lender's title insurance policy with coverage for matters that would have been revealed by an up-to-date survey instead of a survey.

(j) Prior First Mortgage. Satisfactory review of a discharge statement from the existing first mortgagee, First Source Financial Management Inc., detailing the current mortgage balance, principal balance, interest rate, accrued interest, payout amount and per diem amount.

(k) Prior Second Mortgage.

(i) Satisfactory review of a mortgage information statement from the existing second mortgagee, Slovak Greek Catholic Church Foundation, detailing the current principal balance, interest rate and accrued interest.

(ii) Fully executed Slovak Priority Agreement upon terms satisfactory to the Lender.

(l) AFC Priority Agreement. Fully executed AFC Priority Agreement upon terms satisfactory to the Lender.

(m) Leases, Rent Roll, and Tenant Estoppels. If applicable, the Borrower shall have delivered to the Lender: (i) true and complete copies of all leases, offers to lease, subleases, licences, agreements to lease, and any other agreements to occupy space at the Real Property, including any amendments, extensions, renewals, and assignments thereof (collectively, the "**Leases**"), and a current rent roll for the Real Property, certified by the Borrower as being true, complete and correct; (ii) at least five (5) days before the Closing Date, a tenant estoppel certificate, in the Lender's standard form from each tenant under each of the Leases; and (iii) on the Closing Date, an updated rent roll for the Real Property that is consistent with the rent roll previously delivered, the Leases and the tenant estoppel certificates, certified by the Borrower as being true, complete, and correct as of the Closing Date.

(n) Government Entities. The Borrower shall have delivered to the Lender all decisions, applications and material correspondence from government entities in connection with the Real Property.

(o) Budgets. The Borrower shall have delivered to the Lender a detailed and current budget (or proforma budget) for the Real Property (in excel) in the possession or control of the Borrower, satisfactory to the Lender.

(p) Loan Parties Identification Verification. The Borrower shall have delivered to the Lender, for itself and each Loan Party, true and complete information about that party required for the Lender to verify the identity of each Loan Party and to comply with all its obligations under know your client, anti-money laundering and anti-terrorism legislation and the Lender's policies.

(q) Corporate Documents. The Borrower shall have delivered to the Lender (i) certified copies of the corporate/constating documents, up-to-date shareholder registers and organization charts of the Borrower and any corporate guarantors or Beneficial Owner with respect to entities that control or own the primary assets of the Guarantor, including, but not limited to the entities that hold interests in the Borrower and any joint venture, trust agreements or agreements otherwise related to the beneficial ownership of the Real Property and (ii) a government issued certificate confirming that such corporate parties are in good standing.

(r) Demolition. The Borrower shall have delivered to the Lender an agreement that it shall not demolish any improvements situated within the Real Property during the Term of the Facility without the prior written consent of the Lender.

(s) Taxes. The Borrower shall have delivered to the Lender evidence, satisfactory to the Lender, that all real property taxes and utilities supplied by the municipality for the Real Property are paid and up to date to the Closing Date.

(t) Zoning. The Lender shall have received an Agreement from the Borrower, the Guarantor and all of their related parties/entities, subsidiaries, affiliates, successors and assigns not to object to (and if requested, to consent to) any changes to the zoning, architectural plans, site plan or sub-division of the Real Property or to any development applications or plans relating to the Real Property in the event of a default under this Commitment Letter.

(u) Ownership Agreements. The Borrower shall have delivered to the Lender a list of all beneficial holders and disclosure of any other holders of beneficial interest in the Real Property, and any joint venture, trust agreements or agreements or agreements otherwise related to beneficial ownership of the Real Property.

(v) Financial Statements/Personal Net Worth Statements. Receipt and satisfactory review of a personal net worth and/or financial statement(s) from the Borrower and the Guarantor, duly signed and witnessed. In addition, the Lender is to receive satisfactory background checks and Credit Bureau checks for the Loan Parties and the directors, officers, shareholders, and principals of the Borrower. Further, the Loan Parties will authorize the Lender to do such checks, both prior to the initial advance and at any time thereafter, as required by the Lender, until the Facility is fully repaid.

(w) Insurance. The Lender shall be satisfied that the insurance required by Section 15(e) of this Commitment Letter is in place in respect of the Real Property.

(x) Site Plan Reports. The Lender shall be satisfied, in its sole discretion, with all reports and investigations relating to any proposed road widenings, traffic studies, flood plains, flight paths, ecological and environmental matters.

(y) Title. The Borrower shall satisfy the Lender that on the Closing Date the Borrower has good and marketable title in fee simple to the Real Property, which is subject only to those encumbrances listed on Schedule "B" attached (the "**Permitted Encumbrances**"), and that the Lender's charge/mortgage and assignment of rents are validly registered on title to the Real Property in first priority. The Borrower shall have delivered to the Lender the Borrower's lawyer's signed title opinion for the Real Property, in a form and content satisfactory to the Lender, or a lender's policy of title insurance, in a form and content satisfactory to the Lender and paid for by the Borrower, it being understood that the title insurance, in form and substance satisfactory to the Lender and issued by an insurer acceptable to the Lender, acting reasonably, may be provided in lieu of a title opinion.

(z) Corporate Opinions and Documents. The Borrower shall have delivered to the Lender, for each of the Borrower, any corporate guarantor and the Beneficial Owner, an officer's, trustee's or partner's certificate, as applicable, including, without a limitation, a certificate of incumbency, and each of the Borrower's, any corporate guarantor's and the

Beneficial Owner's lawyer's corporate legal opinion, including, without limitation, an enforceability opinion, each in a form and content satisfactory to the Lender and its lawyer.

(aa) Approvals. The Borrower shall have delivered evidence satisfactory to the Lender that the Borrower has all approvals, permits, licences, and consents including, without limitation, regulatory, shareholder and board approval, and the approval of other creditors necessary to carry on its business and to use, operate or develop the Real Property for its proposed use as disclosed to and approved by the Lender.

(bb) Material Agreements. The Borrower shall have delivered to the Lender true and complete copies of all Material Agreements.

(cc) Lender's Due Diligence. The Lender shall be satisfied with the results of its due diligence about the Real Property and the Loan Parties.

(dd) Zoning and Work Orders. The Borrower shall have delivered evidence satisfactory to the Lender that the present uses on the Real Property and all improvements on the Real Property comply with all zoning and building by-laws, codes, orders, regulations and laws affecting the Real Property, including, without limitation, fire safety laws, and that there are no outstanding Work Orders (as defined in Section 19(g)(i)) affecting the Real Property.

(ee) Personal Property. The Lender shall have received results of recent searches in each of the jurisdictions where the Loan Parties and their assets and the Personal Property are located, and such searches reveal no encumbrances on any of the Personal Property or Loan Parties' respective assets, except for Permitted Encumbrances.

(ff) Security and Priority. The Lender shall have received all Loan Documents properly executed, and registered or filed as required, the executed opinions and certificates required under Section 16(z) of this Commitment Letter. The Lender shall have received evidence satisfactory to it that its security in the Real Property and Personal Property (collectively, the "**Collateral**") rank in first priority (unless specified otherwise) to others' security interests in the same property.

(gg) No Defaults. There are no existing Events of Default.

(hh) Representations and Warranties. All representations and warranties in this Commitment Letter or any other Loan Documents or in any other documents made by a Loan Party to the Lender are accurate in all material respects on the Closing Date.

(ii) Costs and Commitment Letter. All fees, charges, and costs required to be paid by a Loan Party to the Lender under this Commitment Letter or another document by the Closing Date are paid, or will be deducted and paid from the advance under the Facility on the Closing Date, and each Loan Party has complied with all its obligations under this Commitment Letter to be complied with by that party by the Closing Date.

(jj) Other. Such other information that the Lender may reasonably require.

17. **Positive and Negative Covenants**. The Borrower and/or each Loan Party as set out below, covenant and agree, jointly and severally if more than one Loan Party is making the covenant, that, unless the Lender otherwise consents in writing, so long as any amount payable under this Commitment Letter or any of the other Loan Documents is outstanding:

(a) To Pay Fees. The Borrower and the Guarantor agree to provide payment of all Fees required pursuant to this Commitment Letter including, but not limited to those set forth in Section 14, on the dates required by this Commitment Letter.

(b) Compliance with Laws. The Borrower agrees to comply with all applicable federal, provincial and municipal laws, statutes, regulations, rules, by-laws orders, permits, licenses, authorizations, approvals, and all applicable common law or equitable principles, whether now or hereinafter in force pertaining to the Real Property, the Borrower and the Guarantor.

(c) Environmental. Each Loan Party shall comply, and cause its tenants at the Real Property and all other parties having charge, management, or control of the Real Property to comply, with all legislation, regulations, and applicable orders, decisions or the like relating to environmental matters rendered by any governmental authority (collectively, "**Environmental Laws**") with respect to the Real Property, and not cause or permit any contaminants or substances that are generally considered hazardous to human health, including, without limitation, any pollutants, liquid wastes, industrial wastes, hauled liquid wastes, toxic wastes, dangerous or hazardous wastes, materials, or substances (collectively, "**Hazardous Substances**") to be used, stored, or released at, in, or under the Real Property contrary to any Environmental Laws.

(d) Title. The Borrower shall defend title to the Real Property for the benefit of the Lender against any action, proceeds or claims.

(e) Permits. Where the Facility is intended to finance improvements to the Real Property, the Borrower has or will obtain prior to the commencement of construction, all permits, agreements, licenses, authorizations, or approvals (collectively, "**Permits**") necessary to permit the lawful construction, occupancy, operation and use of the Real Property, it shall maintain such Permits in good standing and in full force and effect, and shall not terminate, amend or waive any of its rights under any Permits without the Lender's prior written consent; and it is not aware of any proposed changes or any notices or proceedings relating to any Permits, including pending cancellation or termination thereof. The Borrower shall promptly notify the Lender of any changes, notices or proceedings that may arise.

(f) Insurance. The Borrower shall maintain insurance with respect to the Real Property, its personal property and business, on terms and conditions satisfactory to the Lender, in its sole discretion, and approved by the Lender's insurance consultant (if any). The Borrower's insurance shall, without limitation: (i) be issued by financially sound and reputable insurance companies; (ii) as to property insurance, be for the full replacement cost, cover all risks, name the lender as first mortgagee and loss payee and include the standard mortgage clause approved by the Insurance Bureau of Canada; and (iii) as to commercial general liability insurance, be written on a per occurrence basis and name the Lender as additional insured. Prior to the Closing Date, and thereafter annually and from time to time on written request by the Lender, the Borrower shall furnish to the Lender evidence of such insurance until such time as the Lender confirms that the Facility is paid in full and that it releases any interest it has in the Security. The Borrower shall promptly notify the Lender of any claims made under the policies in excess of $100,000.

(g) Financial Reporting: Loan Parties. Each Loan Party shall deliver to the Lender:

(i) within 180 days after the end of each fiscal year, as applicable, accountant prepared annual financial statements and/or personal net worth statements, as applicable, for that fiscal year;

(ii) annually, updated financial statements and/or net worth statements for each guarantor, a statement evidencing that property taxes for the Real Property are up to date, a certificate or binder evidencing insurance for the Real Property (or upon any change to insurance coverage being made, immediately following that change);

(iii) semi-annually, updated operating statements; and

(iv) such other financial information, statements and reports reasonably requested from time to time by the Lender.

(h) Access. The Borrower shall give the Lender access to the Real Property to inspect the Real Property or cause its cost consultant to inspect the Real Property at any time, at the expense of the Borrower, at all times within normal business hours, following reasonable notice to the Borrower except in the case of an emergency where no notice is required.

(i) Project Bank Account. The Borrower must establish a separate bank account at a financial institution acceptable to the Lender through which all advances and disbursements shall be made in respect to the Real Property.

(j) Right of Offset and Pre-Authorized Debit. All appraisal, engineering, inspection, title, survey, legal, insurance review and other customary underwriting, inspection, securing or enforcement expenses of the Lender, shall be paid by the Borrower and may at the Lender's option be deducted from an advance under the Facility. The Borrower hereby irrevocably directs and authorizes the Lender to pay such expenses and costs, together with any outstanding balance of the Commitment Fee, or any other amount due to the Lender, from and out of any advance of funds under this Facility, in the event the same have not been paid at the time thereof.

(k) Canadian Anti-Money Laundering Legislation. The Borrower and the Guarantor acknowledge that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, antiterrorist financing, government sanction and "know your client" laws (collectively, including any guidelines or orders thereunder, "**AML Legislation**"), the Lender may be required to obtain, verify and record information regarding the Borrower and the Guarantor and their respective directors, authorized signing officers, direct or indirect shareholders or other persons in control of the Borrower and the Guarantors and the transactions contemplated hereby. The Borrower and the Guarantor shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by the Lender, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

(l) Demolition. The Borrower covenants not to demolish any improvements situated within the Real Property during the Term of the Facility without the prior written consent of the Lender.

(m) Borrower may not convey its interest. The Borrower may not sell, transfer, assign, pledge or convey its interest in the Real Property or part thereof without the express written consent of the Lender.

(n) Environmental Contamination. Each Loan Party shall notify the Lender promptly, as soon as it becomes aware, of any spills of Hazardous Substances or other violations of Environmental Laws relating to the Real Property and, at the expense of the Borrower, remediate, in accordance with all Environmental Laws, any contamination resulting from such violations.

(o) Advances. The Borrower shall use the proceeds from the Facility only for the purposes stated in Section 6 of this Commitment Letter.

(p) Property Maintenance. The Borrower shall maintain the Real Property and all structures thereon, including, without limitation, each structure's mechanical and electrical systems, in good condition and in compliance with all applicable laws.

(q) Material Agreements and Management. The Borrower, or the Loan Party that is a party to the Material Agreements, shall comply at all times with all of its obligations under all Material Agreements to which it is a party. The Borrower shall promptly notify the Lender of any default under any Material Agreements.

(r) Lender's Consent for Leases. The Borrower covenants not to enter into any new Leases, terminate, accept a surrender of or make any material amendments to any Leases without the review and prior written consent of the Lender, not to be unreasonably withheld or delayed. The Borrower will promptly provide the Lender with copies of all new Leases, renewals, extensions, terminations, and surrenders permitted by this Section 17(r) or otherwise approved by the Lender. The Borrower shall comply at all times with all its obligations as landlord under the Leases. The Borrower shall specifically assign any of the Leases upon request from the Landlord as further security for the Facility. The Borrower shall promptly notify the Lender of any notices of default delivered or received by it as landlord under any of the Leases.

(s) Taxes, Utilities, and Benefits. The Borrower shall pay all real property taxes and utilities charges for the Real Property when due and deliver annual confirmation of payment in full for the calendar year to the Lender by December 15th of each year until the Facility has been repaid in full. The Borrower shall comply with all its obligations when due to collect, deduct at source, withhold, contribute, remit, or pay all: (i) income taxes, sales taxes, and other federal, provincial, or municipal taxes; and (ii) employee benefits, pension plan contributions, insurance premiums, and other amounts as required of it under applicable employee or pension legislation or other laws, and provide confirmation of payment of such taxes and amounts to the Lender upon request by the Lender.

(t) No subsequent financing, liens. The Borrower will not grant any pledge or otherwise encumber its interest in the Real Property (or any collateral property, if applicable), and no liens against the Real Property shall be created, issued, or incurred or permitted to exist without the prior written consent of the Lender in its sole discretion.

(u) No Assignment. The Borrower may not assign this Commitment Letter or any of its rights or interest hereunder, or delegate any obligations to be performed hereunder, without the prior written consent of the Lender. Any attempted assignment or delegation in contravention of this section is null and void and of no force or effect.

(v) Voting Structure. The voting control of the Borrower shall not change without the prior written consent of the Lender.

(w) Confidentiality. The Borrower and the Guarantor acknowledge and agree that the terms and conditions recited herein are confidential between themselves and the Lender, its lawyer, cost consultant, insurance consultant and project monitor, as applicable. The Borrower and the Guarantor agree not to disclose the information contained herein to a third party, other than their lawyer, without the Lender's prior written consent.

(x) Transfer, Change of Control and Further Encumbrances. All outstanding principal, interest and other amounts under the Facility shall immediately become due and payable in full, at the option of the Lender, if any of the following occur without the Borrower having first obtained the prior written consent of the Lender to such occurrence:

(i) There is a change in the legal or beneficial ownership of the Real Property, or any part of it, or in any of the Personal Property;

(ii) A Loan Party amalgamates, merges, converts to another type of entity, liquidates its assets, or otherwise ceases to exist and be organized as it did on the Closing Date;

(iii) There is a change in control of the Borrower or any other Loan Party, where "change in control" means a change in 51% of the ownership of the Borrower or any other Loan Party; or

(iv) The legal or beneficial interest in the Real Property, or any part of it, is further encumbered by any charge, mortgage, lien, execution, easement, restrictive covenant, agreement or other encumbrance, other than Permitted Encumbrances.

18. **Events of Default**. In addition to any other remedies for defaults available to the Lender in other sections of this Commitment Letter, at law or in any other of the Loan Documents, each of the following events shall be considered events of default (each an "**Event of Default**") upon the happening of which the whole of the principal sum outstanding under the Facility and all interest accruing thereon shall, at the Lender's option, immediately become due and payable without notice or demand, subject to any applicable cure periods:

(a) Non-Payment of Principal and Interest. Any Loan Party fails to pay any amount of principal or interest under the Facility when due.

(b) Non-Payment of Other Amounts. Any Loan Party fails to pay any other monetary amounts, other than principal and interest, when due under this Commitment Letter or any other of the Loan Documents and such default is not cured within three (3) days after written notice of default from the Lender, except there shall be no cure period for such a default under Section 16(ii) of this Commitment Letter.

(c) Non-Monetary Defaults. Any Loan Party defaults under any of its non-monetary obligations under this Commitment Letter or any of the other Loan Documents and such default is not cured within any applicable cure period, or not cured within thirty (30) days after written notice of default from the Lender if there is no cure period provided, except there shall be no cure period for defaults under Section 16 or Section 17(x) nor for the defaults in Section 19(a), Section 19(e) and 19(h).

(d) Inaccurate Representations and Warranties. A representation and warranty in this Commitment Letter or any other of the Loan Documents was inaccurate when it was made.

(e) Bankruptcy. Any Loan Party: (i) initiates any proceedings to have it declared bankrupt or insolvent, or to be wound-up, liquidated, re-organized, placed in receivership, or otherwise to give the Loan Party relief from paying its debts and protection from its creditors by any other plan, proposal, arrangement, assignment, or proceeding under bankruptcy and insolvency laws, or (ii) is involuntarily placed in a proceeding described in this Section (e) by another party and such involuntary proceeding is not dismissed, discharged, withdrawn, bonded, or stayed within sixty (60) days of the commencement date of such involuntary proceeding.

(f) Default Under Other Encumbrances. The Borrower is in default under any permitted prior or subsequent encumbrance on the Real Property beyond any applicable cure period under such prior or subsequent encumbrance.

(g) Judgments and Executions. A writ of execution is filed or a judgment is entered against a Loan Party in favour of a creditor other than the Lender that impacts the value of the Real Property or the value of the Loan Party's other assets that the Lender has security or a charge/mortgage in, or another encumbrancer takes possession of all or part of the Real Property or other Collateral.

(h) Loss of Security Interest or Priority. Any security for the Facility given by a Loan Party is invalid or loses its required priority.

(i) Material Adverse Effect. Any matter, event or circumstance occurs that in the opinion of the Lender, acting reasonably, may have a material adverse effect on the ability of a Loan Party to satisfy its obligations to the Lender under this Commitment Letter and any other Loan Documents (a “**Material Adverse Effect**”).

(j) Expropriation. The Real Property, or any part of it, is expropriated and such expropriation has or would have a material adverse effect on the value of the Real Property, in the opinion of the Lender acting reasonably.

(k) Other Defaults. Any other default under any of the other Loan Documents.

If an Event of Default exists on or before the Closing Date the Lender is not obligated to advance the Facility, or any part of it, and may terminate this Commitment Letter.

19. **Representations and Warranties**. Each Loan Party makes the representations and warranties that it is indicated below as making, jointly and severally if more than one Loan Party is indicated below as making that representation and warranty:

(a) General. Each Loan Party represents and warrants and will execute documentation attesting that there has been no material adverse change in the financial condition or operations of any of the Loan Parties, as reflected in the financial statements used to evaluate the application for credit; no pending adverse claims; no outstanding judgments; no defaults under other agreements relating to the Real Property; preservation of assets; no undefended material actions, suits or proceedings; payment of all taxes; no consents, approvals or authorizations necessary in connection with documentation; no other charges against mortgaged lands except permitted encumbrances; no pollutants, dangerous substances, liquid waste, industrial waste, toxic substances, hazardous wastes, hazardous materials, hazardous substances, or contaminants have been or will be manufactured, used, stored, discharged or present on the mortgaged lands, and the mortgaged lands are not currently the subject of remediation or clean-up, there has not been and is no prior, existing, or threatened investigation, action, proceeding, notice, order, conviction, fine, judgment, claim directive or lien of any nature or kind against or affecting the Real Property relating to environmental laws, and the Borrower shall warrant such other reasonable matters as Lender or its legal counsel may require.

(b) Purpose of the Facility. Each Loan Party represents and warrants that the Facility is for the Borrower’s benefit, to be used solely to fund the purpose indicated in this Commitment Letter.

(c) Completeness of information provided. Each Loan Party represents and warrants that all information provided to the Lender with respect to the Real Property, the Borrower and the Guarantor and contained in the Loan Documents is complete, accurate and true.

(d) Environmental. Each Loan Party represents and warrants, to the best of its knowledge and belief, that there have not been and there are no:

(i) discharges, deposits, spills, escapes, or releases of Hazardous Substances into the natural environment or the soil in, on, over, under or at the Real Property;

(ii) uses of the Real Property for a waste disposal site, fill materials forming part of the Real Property or underground storage tanks located at the Real Property;

(iii) claims, actions, prosecutions, charges, hearings, or other proceedings of any kind in any court or tribunal relating to any violation of any Environmental Laws with respect to the Real Property;

(iv) judgments, decisions, orders, directions, injunctions, or notices of any kind rendered by any court, tribunal, or governmental authority, relating to any required environmental remediation or violation of any Environmental Laws with respect to the Real Property;

(v) Hazardous Substances used, stored, or released at the Real Property other than in compliance with all Environmental Laws and disclosed to the Lender; and

(vi) facts or circumstances in existence that, with the passage of time or the giving of notice or both, would give rise to any of the foregoing.

(e) Title: Ownership. The Borrower represents and warrants that it is, or will be on the Closing Date, the registered owner in fee simple of the Property as well as the beneficial owner, unless otherwise disclosed in writing to the Lender prior to the Closing Date.

(f) Title: Encumbrances. The Borrower represents and warrants that on the Closing Date:

(i) it has good and marketable title in fee simple to the Real Property free from all easements, rights-of-way, agreements, restrictions, mortgages, charges, liens, executions, and other encumbrances, save and except for Permitted Encumbrances;

(ii) all Permitted Encumbrances registered on title to the Real Property are complied with by all parties to such encumbrances;

(iii) the Real Property does not contain a matrimonial home under the *Family Law Act*, R.S.O. 1990, c. F.3; and

(iv) it does not hold any interest in any land abutting the Real Property.

(g) Off-Title. The Borrower represents and warrants that:

(i) there are no outstanding work orders, deficiency notices, or notices of any violation, open building permits or other similar communications from any governmental authority requiring or recommending that work or repairs in connection with the Real Property or any part thereof is necessary, desirable, permitted, incomplete, or required, and there is no evidence of construction of an improvement at the Real Property without a required building permit (collectively, "**Work Orders**"); and

(ii) there are no facts or circumstances in existence that with the passage of time or the giving of notice or both would give rise to any Work Orders.

(h) Arrears and Liens. The Borrower represents and warrants that it does not have any indebtedness that might by operation of law or otherwise constitute a lien, charge, statutory deemed trust, or other financial encumbrance on all or any part of the Real Property or that could affect or have priority over the Lender's security interest over or in the Real Property or Personal Property, other than Permitted Encumbrances. Without limiting the foregoing: (i) all real property taxes for the Real Property and utilities costs that if unpaid may form a lien against the Real Property are paid and up-to-date; (ii) the Borrower has collected, deducted at source, withheld, contributed, remitted, or paid when due all taxes (including, without limitation, income and sales taxes) and employee benefits, premiums, and other amounts as required of it under applicable employment or pension legislation or other laws; and (iii) all contractors have been paid and no one is entitled to register a construction lien against title to the Real Property.

(i) Power. Each Loan Party represents and warrants that:

(i) in the case of a Loan Party that is a corporation, it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation;

(ii) in the case of a Loan Party that is an individual, it is an individual resident in the Province of Ontario;

(iii) it has the power and authority to own, lease, charge, and mortgage its property and carry on its business in each jurisdiction in which it owns or leases property or assets or carries on business;

(iv) it has taken all corporate and other actions necessary and obtained all consents necessary to duly execute, deliver, and perform its obligations under this Commitment Letter and the other Loan Documents to which it is a party; and

(v) this Commitment Letter and the other Loan Documents constitute legal, valid, and binding obligations enforceable against it in accordance with their respective terms and do not violate any of its constating documents.

(j) Litigation. Each Loan Party represents and warrants that there are no actions, suits or legal or administrative proceedings, outstanding, pending, or threatened against it or the Real Property;

(k) Material Agreements. The Borrower represents and warrants that:

(i) the Material Agreements delivered to the Lender are all the agreements for the operation, maintenance, and management of the Real Property;

(ii) each of the Material Agreements delivered is true and complete, in full force, and effect and unamended;

(iii) there are no outstanding defaults under any of the Material Agreements by any of the parties thereto; and

(iv) it is not aware of any facts or circumstances in existence that with the passage of time or the giving of notice or both would result in any defaults under any of the Material Agreements by any of the parties thereto.

(l) Leases. The Borrower represents and warrants that: (i) the Leases delivered to the Lender are all the agreements to occupy space at the Real Property; (ii) each Lease delivered is true and complete, in full force and effect, and unamended; (iii) there are no outstanding defaults by the landlord or tenant under any of the Leases and (iv) it is not aware of any facts or circumstances in existence that with the passage of time or the giving of notice or both would result in any defaults under any Leases.

20. **Syndication** Upon receipt of the signed Commitment Letter, the Lender will pursue approval with its syndication partner(s). If the Lender is unsuccessful in obtaining a syndication partner(s) on term acceptable to the Lender, in its sole discretion, the Borrower will be notified, the portion of the Commitment Fee collected will be refunded, less the Lender’s costs incurred, and the Borrower will be released from any obligation to pay any remaining fees.

21. **Indemnification**. The Borrower and the Guarantor shall, jointly and severally, indemnify the Lender its officers, agents, trustees, employees, contractors, licensees or invitees from and against any and all losses, damages, injuries, expenses, suits, actions, claims and demands of every nature whatsoever arising directly or indirectly, out of any or all of the following:

(a) Environmental matters relating to the Collateral, including:

(i) any breach by any Loan Party of its covenants or representations and warranties to the Lender respecting environmental matters;

(ii) the presence of Hazardous Substances on the Real Property contrary to Environmental Laws;

(iii) the presence of Hazardous Substances on adjoining lands that migrated or originated from the Real Property; and

(iv) any environmental remediation actions taken by the Lender relating to such breaches or presence of Hazardous Substances.

(b) The following actions or omissions of a Loan Party that may reduce the value of the Collateral:

(i) any diversion by the Borrower of the Collateral, or proceeds therefrom, in violation of any of the Loan Documents;

(ii) fraud or misrepresentation by any Loan Party; and

(iii) any failure to maintain or repair the Collateral, which results in a diminution of value of the Collateral.

Notwithstanding anything to the contrary in this Commitment Letter or in any other Loan Documents, the liabilities of the Borrower and the Guarantor for the indemnities under this Section 20 shall be joint and several and unlimited, and the Lender shall have full recourse to each Loan Party personally and to all of its assets and property to satisfy the indemnities provided under this Section. The indemnity under Section 20(a) shall survive termination or expiration of the Facility.

22. **Privacy Legislation and Consent**. The Borrower and the Guarantor hereby (i) authorize the Lender to collect and use Personal Information to assess the ability of the Borrower and the Guarantor to meet their financial obligations under the Facility, including obtaining credit and other reports as required; (ii) grant the Lender permission to obtain, disclose, exchange Personal Information on an ongoing basis with credit reporting agencies, prospective investors in the Facility and financial institutions, their agents, or service providers, in order to determine and verify continuing eligibility for the Facility and continuing ability to meet financial obligations; and (iii) agrees that this use, disclosure and exchange of Personal Information will continue until the date all obligations of the Borrower and the Guarantor to the Lender are satisfied in full. “Personal Information” is all of the Borrower’s or Guarantor’s information that was collected by or delivered to the Lender in connection with this Commitment Letter, and any information obtained by the Lender from time to time thereafter.

23. **No Entitlement to Interest**. The Borrower shall not be entitled to receive any interest or other investment earnings on any reserve or deposits held by or on behalf of the Lender, whether or not earned or arising from time to time.

24. **Joint and Several**. The obligations of the Borrower and any guarantor shall be the joint and several obligations of each such person or corporation comprising the Borrower or any guarantor unless otherwise specifically stated herein.

25. **Assignment**. The Borrower and the Guarantor may not assign their interests in the Commitment Letter without the prior written consent of the Lender, which may be unreasonably withheld. The Lender may assign, sell and/or transfer this Commitment Letter and Loan Documents or otherwise syndicate its interest in the Facility to other lenders in whole or in part

without the prior consent of the Borrower and the Guarantor. The Borrower and the Guarantor consent to the disclosure by the Lender to any such prospective assignee or participant of all information and documents regarding the Facility, the Real Property, the Borrower and the Guarantor within the possession or control of the Lender.

26. **Costs**. The Borrower shall be responsible for and pay or reimburse the Lender for, whether or not the Facility is advanced, all of the Lender's costs and expenses (including, without limitation, all legal costs, consultants' costs, and out-of-pocket expenses) in connection with the loan transaction contemplated in this Commitment Letter, including, without limitation, costs, and expenses incurred by the Lender for due diligence, preparation and enforcement of this Commitment Letter and the other Loan Documents, realization of its security, defaults by Loan Parties, administration of the Facility, insurance consultations, appraisals, engineering, inspection, title, survey, and other customary underwriting, inspection, securing or enforcement expenses of the Lender in connection with this Commitment Letter and the Facility. Any of the Borrower's or another Loan Party's unpaid costs paid by the Lender may be added to the principal under the Facility, bear interest at the Interest Rate and be payable on demand.

27. **Notice**. Any notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the Lender, and on the next business day of the Lender if sent after normal business hours of the Lender; or (d) on the third (3^{rd}) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a written notice given in accordance with this Section):

If to the Lender:	2 St. Clair Avenue East Suite 1204 Toronto, Ontario M4T 2T5 Email: jtkatch@harlocap.com Attention: Jonathan Tkatch, President
If to the Borrower:	King David Inc. 212 King Street West, Suite 204 Toronto, Ontario M5H 1K5 Email: Attention: Helen Roman-Barber
If to the Guarantor:	Helen Roman-Barber

212 King Street West, Suite 204
Toronto, Ontario M5H 1K5
Email:

28. **Governing Law**. This Commitment Letter and the Loan Documents shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

29. **Acceptance, Expiration, and Termination**. If this Commitment Letter is not fully executed and delivered by all the Loan Parties required to execute it to the Lender by 4:00 p.m. on September 22, 2023, then it shall be null and void and of no force and effect as of such time and date. If this Commitment Letter is accepted within the time limited but the Closing Date does not occur on or before October 31, 2023, then this Commitment Letter will terminate at 11:59 p.m. on such date. The Lender, in its discretion, may terminate this Commitment Letter if a condition precedent in Section 16 is not satisfied by the Borrower or waived by the Lender by the date for satisfaction or waiver of that condition precedent.

30. **Survival of Commitment Letter and Conflicts**. This Commitment Letter shall survive the closing of the loan transaction contemplated herein and shall not merge in the charge or mortgage of the Real Property or any of the other Loan Documents. If there is a conflict or inconsistency between the Commitment Letter and any of the other Loan Documents, the provisions of this Commitment Letter shall prevail to the extent of such conflict or inconsistency.

31. **Entire Agreement**. This Commitment Letter supersedes all prior understandings, agreements, representations, and warranties, both written and oral, with respect to the Facility. This Commitment Letter together with the deliveries contemplated herein and the other Loan Documents constitute the entire agreement among the parties hereto with respect to the Facility.

32. **Amendments**. This Commitment Letter may not be amended or modified except pursuant to an agreement or agreements in writing entered into by all the parties hereto.

33. **Time of the Essence**. Time shall in all respects be of the essence of this Commitment Letter and the other Loan Documents.

34. **Counterparts**. This Commitment Letter and any amendments, waivers, consents, or supplements hereto may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Commitment Letter by facsimile or by sending a scanned copy (“PDF” or “TIF”) by electronic mail shall be effective as delivery of a manually executed counterpart of this Commitment Letter.

[SIGNATURE PAGE FOLLOWS]

Signed by the Lender on this 18th day of September, 2023.

Yours truly,

HARLO FINANCIAL GP INC. AS GENERAL PARTNER FOR AND ON BEHALF OF HF MARKHAM (CC2) LP

DocuSigned by:

By:__Jon Tkatch__

E88B38505A6C461...

Name: Jonathan Tkatch

Title: A.S.O.

Accepted and agreed to on this 21st day of September 2023.

KING DAVID INC.

(Borrower)

By H Roman-Barber

Name: Helen Roman-Barber

Title: A.S.O.

I have authority to bind the corporation

H Roman-Barber

Helen Roman-Barber (Guarantor)

Witness:

SCHEDULE A

LEGAL DESCRIPTION OF REAL PROPERTY

ADDRESS	PIN	LEGAL DESCRIPTION
100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario	03052-2361(LT)	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

SCHEDULE B

PERMITTED ENCUMBRANCES

"**Permitted Encumbrances**" under this Commitment Letter means the following encumbrances:

a. encumbrances granted to the Lender as security for any Loan Party's obligations under this Commitment Letter or any other Loan Documents;

b. liens for provincial and municipal taxes, charges, rates, and assessments not yet due and payable or that are being contested diligently and in good faith by appropriate proceedings, provided adequate reserves are maintained by the Borrower for any governmental taxes, charges, rates, and assessments being contested and no governmental lien for such contested amounts is being enforced;

c. undetermined or inchoate liens and charges incidental to the ordinary, as disclosed to the Lender prior to the first advance of the Facility, operations at the Real Property or arising in the ordinary course of business, which have not been filed or registered against, according to applicable law, the Borrower, any Loan Party or any of the Collateral and that relate to obligations neither due, delinquent or overdue;

d. minor easements, rights-of-way, restrictive covenants, encroachments and similar rights, provided that, individually and in the aggregate, each one is complied with and does not: (i) interfere with the ordinary operations at the Real Property as disclosed to the Lender prior to the first advance of the Facility; (ii) detract from the value of the Real Property or any other Collateral, (iii) add to the Borrower's costs, or (iv) impose financial obligations on successors in title to the Real Property or to any other Collateral;

e. municipal or other governmental zoning, building, and development laws affecting the Real Property, provided they are complied with;

f. the reservations, exceptions, limitations, provisos, and conditions contained in the original Crown grant or patent;

g. security given in the ordinary course of business by the Borrower to a public utility or any municipality, governmental, or public authority when required in connection with the ordinary, as disclosed to the Lender prior to the first advance of the Facility, operations at the Real Property, other than in connection with borrowed money;

h. the Leases; and

i. encumbrances that are permitted under any of the Loan Documents or for which the Lender, in its discretion, has given its specific prior written consent.

Specific Permitted Encumbrances

1. Instrument No. R488826 registered 1988/11/15, being a Notice of Airport Zoning Regulations.

2. Instrument No. YR754049 registered 2005/12/22, being a Notice of Pickering Airport Site Zoning Regulations.

3. Instrument No. YR1466785 registered 2010/04/19, being a Charge/Mortgage (the "**Slovak Charge**") in favour of Slovak Greek Catholic Church Foundation, which Slovak Charge shall be postponed to the Lender's first mortgage and assignment of rents.

4. Instrument No. YR2616280 registered 2017/01/26, being a Transfer Easement (the "**Transfer Easement**") in favour of Slovak Greek Catholic Church Foundation, which Transfer Easement shall be postponed to the Lender's first mortgage and assignment of rents.

5. Instrument No. 65M4597 registered 2018/02/22, being a Plan of Subdivision.

6. Instrument No. YR2798942 registered 2018/02/26, being a Notice of Subdivision Agreement.

7. Instrument No. YR2798944 registered 2018/02/26, being a Postponement of Interest of the Slovak Charge.

8. Instrument No. YR2799028 registered 2018/02/26, being an Application To Annex Restrictive Covenants S.119.

9. Charge/Mortgage in favour of the Third Mortgagee, to be subordinate/postponed to the Lender's first mortgage and assignment of rents.

SCHEDULE C

INSURANCE REQUIREMENTS

HAZARD INSURANCE I

PERMANENT STRUCTURES

It is clearly understood and agreed that the insurance requirements contained herein are a minimum guide and, although they must be adhered to throughout the life of the Mortgage, they in no way represent the Lender's opinion or advice as to the full scope of insurance coverage a prudent Borrower would arrange to adequately protect its interest.

If the Borrower fails to take out or to keep in force or provide the Lender with evidence of such minimum insurance as is required hereunder, then the Lender may, but shall not be obligated to, take out and keep in force such insurance for the benefit of the Lender, at the immediate sole cost and expense of the Borrower.

A. GENERAL CONDITIONS:

1. All insurance policies shall be in a form and with insurers reasonably acceptable to the Lender. Deductibles, where used, will be allowed only as they may be reasonably acceptable to the Lender.

2. The Mortgagor will provide the Lender with satisfactory evidence that the required insurances are in place.

3. The Lender retains the right to update and change the requirements at any time during the term of the mortgage agreement.

4. The Mortgagor shall be a Named Insured on all policies.

5. All losses will be payable to the Lender as First Mortgagee & Loss Payee, the policies will include an Insurance Bureau of Canada Standard Mortgage Clause.

   If there is currently a First Mortgagee on the property, then the Lender will show as Mortgagee and Loss Payee as their interest may appear, until the insurer has received a release of interest from the prior lender at which time the policies will be endorsed to show the Lender as First Mortgagee and Loss payee.

6. The policy shall contain a clause that the Insurer will neither terminate nor alter the policy to the prejudice of the Lender except by registered letter to the Lender giving notification of at least thirty (30) days. The Mortgagor will replace any terminated policy providing similar coverage with no cessation in coverage.

B. PROPERTY INSURANCE:

The Mortgagor will insure and keep insured the improvements and all insurable property forming part of the mortgaged Premises, in an amount not less than the Replacement Cost thereof:

1. On a Broad Form/All Risk basis, including:
    a. Flood,
    b. Earthquake,
    c. Sewer Backup,
    d. Blanket Building By-laws.

2. Subject to a Stated Amount Co-insurance Clause or No Co-insurance requirement.

3. Coverage is to be subject to a Replacement Cost Endorsement with no requirement to replace on the same or an adjacent site.

C. EQUIPMENT BREAKDOWN INSURANCE (BOILER AND MACHINERY):

The Mortgagor will also maintain Equipment Breakdown insurance with a Limit of Loss equal to that insured under Section B, to cover all building equipment and machinery (and production machinery, if applicable) for explosion, electrical loss or damage and mechanical breakdown and including Repair & Replacement and By-Laws.

D. BUSINESS INTERRUPTION INSURANCE:

The Mortgagor will effect and maintain Business Interruption Insurance, on a Gross Rents or Profits form for one hundred percent of the annual rents as detailed in the rent roll for a minimum period of twelve (12) months or such greater period as the lender may require.

This insurance is to apply to both the Real Property and Boiler coverages.

E. LIABILITY INSURANCE:

The Mortgagor will effect and maintain Public Liability Insurance in an amount of not less than $10,000,000, per occurrence, on either a Comprehensive General Liability or Commercial General Liability form. The policy will name the Mortgagee as an Additional Insured (but only in respect to liability arising out of the operations of the Mortgagor).

SCHEDULE D
ADMINISTRATION FEES

1.	**NSF / MISSED PAYMENT**	**$200** per occurrence	
2.	**PAYMENT PROCESSING FEE**	**$60.00** (arranging the processing of any payment on any date other than the schedule payment date or administering a stop payment)	
3.	**INSURANCE**:	**$500.00** (for cancelled or expired Insurance)	
	-Insurance Administration Default Fee:	**$500.00** (This fee is in addition to the Insurance Premium)	
	-Insurance Placement Fee:		
4.	**PROPERTY TAX**	**$250.00** per tax status inquiry. (If the Borrower fails to provide satisfactory confirmation of tax payments)	
	- Tax Default Fee:		
	- Tax Account Administration Fee:	**$275.00** per annum	
	- Property Tax Status Inquiry Fee:	**$125.00** (payable for the handling of tax inquiries, preparation of related documentation and investigating the status of tax payments)	
5.	**MORTGAGE STATEMENTS**		
	- Statement for Info Purposes Fee:	**$260.00** per Statement	
	- Discharge Fee:	**$465.00**	
	- Payout Statement:	**$260.00** per Statement	
	- Duplicate Loan Statement Fee:	**$250.00** (payable for the preparation of each duplicate year-end mortgage loan statement)	
6.	**DEFAULT PROCEEDINGS FEE**	**$1,500.00** (payable per event or per preparation of a mortgage file for legal action and/or enforcement)	
7.	**POWER OF SALE ENFORCEMENT ADMINISTRATION FEE**	a. Notice of Sale	**$1,750.00**
		b. Statement of Claim	**$2,000.00**
		c. Judgement	**$1,250.00** per judgement
		d. Writ of Possession/Eviction	**$1,250.00**
		e. Review Court Motion Material:	**$750.00** per motion

8.	**ADVANCE FEE**	**$500.00**
9.	**LOAN MAINTENANCE FEE**	**$450.00** charged per annum
10.	**BANK WIRE TRANSFER FEE**	**$100.00** per wire
11.	**MISCELLANEOUS DOCUMENT DOCUMENTS EXECUTION**	Subdivision Plans, non-disturbance agreements or other required to security **$500.00** per occurrence
12.	**COURIER FEE**	**$60.00** plus HST
13.	**LONG DISTANCE CHARGES**	**$20.00** (minimum) per call
14.	**REVIEW ADMINISTRATION FEE**	**$500.00** (for the review of each land title document, postponement, certificate, confirmation, or similar document required to be issued or executed at the Borrower's request)
15.	**PPSA RENEWAL FEE**	**$100.00** per PPSA registration, plus the cost of the preparation and registration of the PPSA renewal
16.	**LENDER IN POSSESSION**	If the Lender goes into possession of the property, a ten (10%) percent property management fee will be charged to the Borrower (based on 10% the gross rents collected)
17.	**AD HOC SERVICES REQUESTED BY BORROWER**	**$150.00** per hour, plus expenses
18.	**PAYMENT ADMINISTRATION**	**$150.00** per regular monthly mortgage payment

Note: The Lender's legal fees/costs are in addition to the above.

This is Exhibit "**D**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Properties

PIN	03052 - 2361 LT	*Interest/Estate*	Fee Simple
Description	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM		
Address	100 CATHEDRAL HIGH STREET MARKHAM		

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	KING DAVID INC.
Address for Service	212 King Street West, Suite 204 Toronto, Ontario M5H 1K5

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

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

Chargee(s) *Capacity* *Share*

Name	HARLO FINANCIAL GP INC.
Address for Service	2 St. Clair Avenue East, Suite 1204 Toronto, Ontario M4T 2T5

This transaction is for a partnership purpose within the meaning of the Limited Partnerships Act.

I am a general partner, the firm name of the Limited Partnership is HF Markham (CC2) LP.

Statements

Schedule: See Schedules

Provisions

Principal	$5,000,000.00	*Currency*	CDN
Calculation Period			
Balance Due Date	On Demand		
Interest Rate	25% per annum		
Payments			
Interest Adjustment Date			
Payment Date	On Demand		
First Payment Date			
Last Payment Date			
Standard Charge Terms			
Insurance Amount	Full insurable value		
Guarantor			

Signed By

David Mathew Markowitz	1000-120 Adelaide St. W. Toronto M5H 3V1	acting for Chargor(s)	Signed	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

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

Submitted By

Schneider Ruggiero Spencer Milburn LLP	1000-120 Adelaide St. W. Toronto M5H 3V1	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

SCHEDULE TO THE ATTACHED CHARGE/MORTGAGE

RECITALS

The Lender has agreed to make a loan in favour of the Borrower upon the terms and conditions more particularly contained herein.

The Borrower is the registered owner of the lands and premises described in the electronic Charge to which this schedule is attached.

This Charge is given by the Borrower to the Lender as continuing security for the repayment by the Borrower to the Lender of such loan and the performance by the Borrower of its obligations as more particularly described herein.

ARTICLE 1 - DEFINITIONS

1.1 For the purposes of this Charge the following definitions will apply:

"Applicable Laws" means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all then current laws, rules, statutes, regulations, treaties, orders, judgments and decrees and all official directives, rules, guidelines, orders, policies, decisions and other requirements of any Governmental Authority (whether or not having the force of law) (collectively, the "Law") relating or applicable to such Person, property, transaction, event or other matter and shall also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation;

"Applicable Rate" means the interest rate set out in the Commitment notwithstanding the interest rate set out in the electronic Charge to which this schedule is attached;

"Bills" has the meaning ascribed thereto in Section 10.1(a);

"Borrower" means the party identified as "Chargor" set out in the electronic Charge to which this schedule is attached and its successors and assigns;

"Business Day" means a day on which the Lender is open for business but specifically excluding Saturdays, Sundays or statutory holidays pursuant to the laws of Canada or the Province of Ontario and "Business Days" means more than one Business Day;

"Charge" means this charge/mortgage of land and all instruments supplemental hereto or in amendment, renewal, extension, restatement, replacement or confirmation hereof;

"Charged Premises" means, collectively, the Lands and the Improvements;

"Commitment" means the letter of commitment between, *inter alios*, the Borrower and the Lender dated September 18, 2023, as the same has been or may be amended, restated, supplemented, renewed, extended or superseded from time to time;

"Environmental Approvals" has the meaning ascribed to it in Section 12.1 hereof;

"Environmental Laws" or "Environmental Law" has the meaning ascribed to them in Section 12.1 hereof;

"Event of Default" has the meaning ascribed thereto in Section 18.1 hereof;

"Event of Insolvency" means the occurrence of any one of the following events:

(a) If the Borrower, or the Guarantor(s), shall, other than as expressly permitted hereby:

(i) be wound up, dissolved or liquidated, whether pursuant to the provisions of the laws of the Province of Ontario or the federal laws of Canada applicable therein, or any other law or otherwise, or becomes subject to the provisions of the *Winding-Up and Restructuring Act (*Canada), or has its existence terminated or has any resolution passed therefor; or

(ii) makes a general assignment for the benefit of its creditors or files a proposal or a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada), shall otherwise acknowledge its insolvency or shall be declared or become bankrupt or insolvent; or

(iii) proposes a compromise or arrangement or otherwise brings proceedings under or becomes subject to the provisions of the *Companies' Creditors Arrangement Act* (Canada) or shall file any petition or answer seeking any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution or any other relief for itself under, or in any way takes the benefit of, the *Bankruptcy and Insolvency Act* (Canada) or any other present or future law relative to bankruptcy, insolvency or other relief for debtors or for or against the benefit of creditors; or

(iv) be unable, by reason of insolvency or similar circumstances, to pay its trade creditors generally, within one hundred and twenty (120) days of the rendering of trade accounts or admit its inability to pay its debts or perform its obligations as they become due; or

(b) If a court of competent jurisdiction shall enter an order, judgment or decree against the Borrower in respect of any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution, winding-up, termination of existence, declaration of bankruptcy or insolvency, or similar relief under any present or future law relative to bankruptcy, insolvency or other relief for debtors or for or against the benefit of creditors, or the Borrower shall acquiesce in the entry of such order, judgment or decree, unless the Borrower is also proceeding forthwith to diligently and in good faith contest the same and, provided that none of the Charged Premises, the Charge or the Security, the value of the Charged Premises or the operation thereof, are adversely affected and there is no prejudice to the Lender in the Lender's reasonable opinion, and such order, judgement or decree is vacated or permanently stayed within fifteen (15) days of its making; or

(c) If any trustee in bankruptcy, receiver, receiver and manager, monitor or liquidator or any other officer with similar powers shall be appointed for the Charged Premises or any portion thereof, or for the Borrower or the Guarantor(s), or for all or any substantial part of its assets or its interest in the Charged Premises with the consent or acquiescence of the Borrower; or

(d) If, other than as expressly permitted hereby, an encumbrancer or the holder of any lien or charge or any other creditor takes possession of the Charged Premises or the Borrower's interest in the Charged Premises, or any part thereof, or if a distress, execution, garnishment or any similar process is levied or enforced upon or against the same;

"Governmental Authority" means any federal, provincial, territorial or municipal government and any executive, judicial, regulatory or administrative functions of, or pertaining to, government (including, without limitation, all boards, commissions, agencies, departments and ministries);

"Guarantor(s)" means any Person from time to time guaranteeing the Indebtedness;

"Hazardous Substance" has the meaning ascribed to it in Section 12.1 hereof;

"Improvements" means the buildings, erections, structures, fixed machinery, fixed equipment, plant, and improvements now located on the Lands and all appurtenances pertaining thereto, together with all other buildings, structures, fixtures and improvements hereafter located from time to time in, on or under the Lands and all personal property, equipment and chattels now or hereafter affixed to the Lands or to such buildings, erections, structures, fixed machinery, fixed equipment, plant, and improvements owned by the Borrower;

"Indebtedness" means, collectively, the Principal Sum, any debts, liabilities, obligations, covenants and duties owing by the Borrower to the Lender of any kind or nature, present or future and arising under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith, whether or not evidenced by any note, guarantee or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guarantee, 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 and in all cases arising under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith. The term includes, without limitation, all interest, yield maintenance, charges, expenses, fees, including all processing and commitment fees and all legal fees and disbursements (in each case whether or not allowed), and any other sum chargeable to the Borrower under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith;

"Inspections" has the meaning ascribed to it in Section 12.1 hereof;

"Interest Adjustment Date" means the interest adjustment date set by the Lender for the purposes of setting a payment schedule;

"Lands" means the lands and premises described in the electronic Charge to which this schedule is attached, including all tenements, hereditaments and appurtenances belonging or in any way appertaining thereto, and the reversion or reversions, remainder and remainders, rents, issues and profits therefrom, and all the estate, right, title, interest, property claim and demand whatsoever of the Borrower of, in and to the same and of, in and to every part thereof;

"Lease Benefits" means the benefit of all covenants and obligations of tenants, licencees or occupants contained in any of the Leases, including, without limitation, all rights and benefits of any guarantees thereof, the right to demand, sue for, collect, recover and receive all Rents, to enforce the landlord's rights under any Lease and generally any collateral advantage or benefit to be derived from the Leases or any of them;

"Lease Rights" means, collectively, the Leases, the Rents and the Lease Benefits;

"Leases" means all present and future leases, subleases, licences, agreements to lease, agreements to sublease, options to lease or sublease, rights of renewal or other agreements by which the Borrower, or any predecessor or successor in title thereto, has granted or will grant the right to use or occupy all or part or parts of the Charged Premises, including all agreements collateral thereto, but which, for the purpose of this definition does not include the Property Lease, and "Lease" means any one of them;

"Lender" means the party identified as "Chargee" in the electronic Charge to which this schedule is attached, and its successors and assigns;

"Loan" means the loan extended or to be extended by the Lender to the Borrower in the principal amount set out in the electronic Charge to which this schedule is attached and secured by this Charge and other security given to the Lender by the Borrower and the Guarantor(s), if any;

"Major Tenant Leases" means any agreements to lease, offers to lease or leases, subleases or occupancy agreements in respect of premises situate on the Charged Premises and which are determined by the Lender in its discretion to be material to the Charged Premises and the extension and maintenance of the Loan;

"Maturity Date" means, subject to early maturity by reason of the occurrence of an Event of Default and the acceleration of repayment at the option of the Lender, the maturity date set out in the Commitment, notwithstanding the balance due date set out in the electronic Charge to which this schedule is attached;

"Permitted Encumbrances" means all instruments registered on title to the Charged Premises prior to this Charge other than any mortgages, charges, financial encumbrances, liens or security interests, save and except those described in Schedule A hereto and those which are acceptable to the Lender in its sole discretion;

"Person" means any natural person, sole proprietorship, partnership, syndicate, trust, joint venture, Governmental Authority or any incorporated or unincorporated or entity or association of any nature;

"Principal" or "Principal Sum" means the principal amount of the Loan owing from time to time by the Borrower to the Lender;

"Rents" means all rents, issues and profits now due or to become due under or derived from the Leases;

"Security" means, collectively, the Commitment and all other or additional security, other than this Charge, given by the Borrower or others to the Lender as security for the Loan;

"Taxes" means for each year during the term of this Charge all real property taxes, business taxes, rates, duties, charges, assessments, impositions, taxes, levies and charges for local improvements or otherwise, imposed upon or assessed against the Charged Premises or any part or parts thereof by any Governmental Authority including, without limitation, school boards, and paid or payable by the Borrower or any tenant of the Charged Premises, but shall not include franchise, capital levy or transfer tax or any income, excess profits or revenue tax or any other tax or impost of a personal nature charged or levied upon the Borrower or any tenant of the Charged Premises. If the system of real property taxation or business shall be altered or varied and any new tax shall be levied or imposed on all or any portion of the Charged Premises or the revenues therefrom in substitution for, or in addition to, taxes presently levied or imposed, then any such new tax or levy shall be deemed to be and shall be included herein; and

"Term" means the term of this Charge and being a period which expires on the Maturity Date.

ARTICLE 2 - CHARGING PROVISIONS

2.1 Now therefore witnesseth that the Borrower, being the registered owner of a freehold estate in fee simple in possession of the Lands, in consideration of the Loan advanced or to be advanced by the Lender to the Borrower or for its benefit, and as security for the repayment of all Indebtedness and the performance of the obligations of the Borrower hereunder, does hereby grant, mortgage, charge and create a security interest in, to and in favour of the Lender all of its estate, right, title and interest in and to the Charged Premises and covenants and agrees to and with the Lender as hereinafter provided.

2.2 The last day of any term reserved by any lease or sublease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Borrower, as lessee, and forming part of the Charged Premises is hereby excepted out of the mortgage, charge, assignment and security interest hereby created or granted or any instrument in implementations hereof, and the same shall be deemed to be a charge by way of sublease. As further security for the payment of the Indebtedness, the Borrower agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Lender for the purpose of this Charge and to assign and dispose thereof, without cost or expense to the Lender, in such manner as the Lender shall by notice in writing, for such purpose, direct. Upon any sale, assignment, sublease or other disposition of such leasehold interest or any part thereof, the Lender, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser, assignee, sublessee or other acquirer thereof, shall be entitled by deed or writing to appoint such party or parties as a new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Borrower and to vest the same accordingly in the new trustee or trustees so appointed freed and discharged from any obligation respecting the same.

ARTICLE 3 - REPAYMENT AND INTEREST

3.1 The Borrower covenants to pay to or to the order of the Lender at its offices as set out in Article 23 hereof or at such other address as the Lender may from time to time designate in writing, without set-off, compensation or deduction, and without deduction for bank service or any other charges, the Principal Sum together with all other Indebtedness with interest thereon at the Applicable Rate, as well after as before maturity and both before and after default, demand and judgment. Such interest at the Applicable Rate shall be computed from the date of advance to become due and be paid initially on the Interest Adjustment Date and thereafter to be paid in instalments of principal and/or interest as required by the Commitment, commencing on the first payment date set out in the Commitment or in the electronic Charge to which this schedule is attached and continuing each month during the Term, to and including the last payment date set out in the Commitment or the electronic Charge to which this schedule is attached, each such instalment to be in the amount stipulated in the Commitment or in the electronic Charge to which this schedule is attached and the last instalment, in the amount of the then remaining balance of the Principal Sum, other Indebtedness and accrued interest thereon, to be paid on the Maturity Date.

3.2 The Borrower acknowledges and agrees that monthly instalments for principal and/or interest, as required by the Commitment, described in Section 3.1 together with all payments for Taxes as set out in Section 10.1 hereof must pass through a single bank account on which the Borrower will have provided post-dated cheques (as required by the Lender) or have pre-authorized the Lender to withdraw the monthly payments under this Charge plus any Taxes payable in respect of the Charged Premises if not otherwise paid by the Borrower. In addition, the Borrower must maintain at all times in such account a minimum balance equal to the sum of the monthly payment of principal, interest and Taxes (as such Taxes become due).

3.3 It is hereby agreed that if default should occur in payment of any sum due at the time appointed for payment thereof as herein provided, compound interest at the Applicable Rate shall be payable on the sum in arrears from time to time, as well after as before maturity, and if interest as compounded is not paid within one (1) month from the time of default, a rest shall be made, and compound interest at the Applicable Rate shall be payable on the aggregate then due, as well after as before maturity, both before and after default, demand and judgement and so on from time to time and all such interest and compound interest shall be a charge on the Charged Premises.

3.4 All interest in arrears shall be treated (as to payment of interest thereon) as Principal and shall bear compound interest, as well after as before maturity, default and judgement as provided in Section 3.3 hereof.

3.5 The Borrower will pay interest, including interest on overdue interest, at the Applicable Rate on any arrears of instalments of principal and/or interest, and any payment by the Borrower shall be applied by the Lender first on account of interest and then on account of principal.

3.6 All payments of principal and interest pursuant to Section 3.1 shall be made to and received by the Lender prior to 1:00 p.m. on the date due, failing which such payment shall be deemed received on the next succeeding Business Day provided that in such case, such extension of time shall be included for the purpose of computation for interest; provided further that in the event any payment is due on a day which is not a Business Day, it shall be payable prior to 1:00 p.m. on the next succeeding Business Day and provided such payment is received by such date and such time, then, save in respect of repayment of the Indebtedness at the

Maturity Date where interest shall be charged for extensions to the next succeeding Business Day, interest shall not be charged for such extension.

ARTICLE 4 - CRIMINAL RATE OF INTEREST

4.1 Notwithstanding any other provisions of this Charge, in no event shall the aggregate "interest" (as defined in Section 347 of the Criminal Code, (Canada), as the same shall be amended, replaced or re-enacted from time to time) payable to the Lender under this Charge exceed the effective annual rate of interest on the "credit advances" (as defined in that section) under this Charge lawfully permitted under that section and, if any payment, collection or demand pursuant to this Charge in respect of "interest" (as defined in that section) is determined to be contrary to the provisions of that section, such payment, collection, or demand shall be deemed to have been made by mutual mistake of the Lender and the Borrower and the amount of such payment or collection in excess of that lawfully permitted shall be refunded by the Lender to the Borrower.

ARTICLE 5 - INTEREST ACT (CANADA)

5.1 For the purposes of this Charge, whenever interest is payable or stated not on the basis of a yearly rate, such rate of interest may be determined by multiplying the Applicable Rate by a fraction the numerator of which is the actual number of days in the calendar year in which the same is to be ascertained and the denominator of which is the number of days in the period for which such rate is determined to be payable.

5.2 All calculations of interest or fees under this Charge are to be made on the basis of the stated rates set out herein and not on any basis which gives effect to the principle of deemed re-investment.

ARTICLE 6 - PREPAYMENT

6.1 Subject to prepayment provisions provided for in the Commitment, if any, or early maturity by reason of the acceleration of the repayment of the Indebtedness at the option of the Lender upon the occurrence of an Event of Default, the Borrower shall not be entitled to prepay all or any portion of the Principal under this Charge prior to the Maturity Date.

ARTICLE 7 - NO OBLIGATION TO ADVANCE

7.1 The Borrower acknowledges and agrees that the Lender is not bound to make any advance of any of the Principal Sum or any unadvanced portion thereof by reason of the registration of this Charge in any place or registry office or the advance of any part of the said Principal Sum, it being acknowledged by the Borrower that any advance hereunder is subject, inter alia, to: (i) the representations and warranties contained herein being true and correct as of the date of any advance of the Loan; (ii) no default having occurred hereunder, under any of the Security or under the Commitment; and (iii) the conditions precedent contained in the Commitment having been satisfied.

7.2 In the event this Charge is registered and either no advance whatsoever is made hereunder by the Lender or the Borrower's ability to draw down funds is terminated by the Lender before any funds are advanced, the Lender will, at the expense of the Borrower and upon payment of all monies, costs, fees and disbursements then due to the Lender, promptly upon request by the Borrower execute and deliver to the Borrower, or any agent thereof, registrable discharges of this Charge and of the Security, for use in every registry office where they or notices thereof have been recorded or filed; provided that the Borrower acknowledges that this Section 7.2 shall be of no effect once any advance of the funds is made hereunder by the Lender.

ARTICLE 8 - REPRESENTATIONS AND WARRANTIES

8.1 The Borrower represents and warrants in favour of the Lender, acknowledging that the Lender is relying on such representations and warranties in extending the Loan:

(a) The Borrower is a corporation duly organized, validly subsisting and in good standing under the laws of its incorporating jurisdiction and has all necessary corporate power and authority to enter into this Charge and the Security and to perform or cause to be performed its obligations contained herein and therein, to own and operate the Charged Premises and to carry on it business pertaining thereto as presently carried on;

(b) There are no provisions in the articles or bylaws of the Borrower or any unanimous shareholders agreement of or with respect to the Borrower or to which the Borrower is a party which restrict, limit or regulate in any way the powers of the Borrower to borrow on credit or to issue, sell or pledge any of the property or assets now or hereafter owned by it to secure its debt obligations, save and except any provisions which have been complied with. No steps or proceedings have been taken or are pending to amend or supersede the articles or bylaws of the Borrower in a manner which would impair or limit the Borrower's ability to perform its obligations hereunder or under the Security;

(c) The Borrower has taken all necessary corporate action to authorize the execution and delivery of this Charge and the Security, and performance of the provisions of each in accordance with its terms;

(d) The authorization, creation, execution or delivery of this Charge or the Security or the Borrower's performance of its obligations hereunder or thereunder does not require any approval or consent of any Governmental Authority having jurisdiction nor will any such action be in conflict with or contravene any of the Borrower's articles, bylaws, unanimous shareholders agreement, if any, or resolutions of directors or shareholders, or the provisions of any indenture, instrument, agreement or undertaking to which the Borrower is a party or by which it or its properties or assets are bound, or result in the creation, imposition or cyrstallization of any hypothec, title retention, charge, pledge, lien, encumbrance or security interest of any kind upon any of its property or assets subject to the Charge or security interest created thereby or by the Security other than in accordance with the provisions of this Charge and the Security. This Charge and the Security when executed and delivered will constitute valid and legally binding obligations of the Borrower, enforceable against it in accordance with its terms;

(e) There is not now pending or, to the best of the Borrower's knowledge or belief after due inquiry, threatened against the Borrower, any litigation, action, suit, investigation or other proceeding by or before any court, tribunal or other competent Governmental Authority which would materially adversely affect the present or prospective ability of the Borrower to perform its obligations under this Charge or the Security, as the case may be, or which calls into question the validity or enforceability of this Charge or the Security;

(f) No Event of Insolvency has occurred or is threatened or pending;

(g) The Borrower is the registered owner of and has a good and marketable title in fee simple to the Lands, and, unless otherwise disclosed to the Lender in writing, is the legal and beneficial owner of the Charged Premises, free and clear of all security interests, charges, liens and other encumbrances whatsoever except for the Permitted Encumbrances, which Permitted Encumbrances are in good standing;

(h) The Borrower has the right to charge the Charged Premises to the Lender;

(i) The Borrower has not received any notice of or threat of a lien under the *Construction Act* (Ontario), as amended, against the Charged Premises nor has any lien been registered against the Charged Premises in respect of labour, materials or services furnished with respect to any improvement thereon which has not been discharged;

(j) Unless expressly stipulated in the Commitment, the Charge is not being given with the intention to use the proceeds thereof to finance any alterations, additions or repairs to, or any construction, erection, demolition or installation on the Charged Premises or any structure thereon;

(k) Unless expressly stipulated in the Commitment, the Charge is not a building mortgage, within the meaning of the *Construction Act* (Ontario), as amended, and the funds to be advanced by the Lender are not being used to repay a building mortgage;

(l) There has been no improvement or materials supplied on or in respect of the Charged Premises in respect of which a construction lien could arise and which has not been completed or abandoned within the sixty (60) days immediately preceding the date hereof;

(m) Except as disclosed to the Lender in writing, the existing and proposed uses, the operation of the Charged Premises and the business conducted thereon comply and, to the best of the Borrower's knowledge and belief, have (including all prior uses) at all times complied with all Applicable Laws, including all Environmental Laws, and the Borrower is not in violation of, and does not violate, by virtue of the ownership, use, maintenance or operation of the Charged Premises or the conduct of any business related thereto, any Applicable Laws, including all Environmental Laws;

(n) The Charged Premises may be charged by the Borrower in compliance with the *Planning Act* (Ontario), and no severance of any adjoining lands owned by the Borrower is required;

(o) All financial statements and data delivered or presented to the Lender by the Borrower up to and including the date hereof are true and correct in all material respects as at the dates and for the periods indicated and have been prepared in accordance with Canadian generally accepted accounting principles and disclose to the Lender all financial information relevant to the Lender in respect of making the Loan and there is no information, financial or otherwise, which has not been disclosed to the Lender which would be material to the Lender in its decision to advance the Loan, and, without limiting the foregoing, neither the Guarantor(s) nor the Borrower has failed to disclose to the Lender any facts or information material to the making of the Loan;

(p) No Event of Default, or an event which with the giving of notice, lapse of time or otherwise, would constitute an Event of Default exists;

(q) Each Permitted Encumbrance is in good standing and all obligations and covenants required to be met or complied with thereunder on the part of the Borrower have been complied with and, in respect to any other party thereto to the best of the Borrower's knowledge and belief, have been met or complied with;

(r) All Leases entered into as of the date hereof are valid, subsisting and enforceable leases and are in good standing as of the date hereof without right of set-off or abatement;

(s) The Borrower is not bound by any indenture, agreement, lease or other instrument, nor is it subject to any trust agreement, charter, by-law, unanimous shareholders agreement or other corporate restriction or any of the Applicable Laws, which materially adversely affects its business operations in respect of the Charged Premises or the performance of its obligations under this Charge or the Security;

(t) The Borrower has complied with all Applicable Laws in respect of any residential unit located on the Charged Premises, including in respect of any conversion, demolition, rentals charged or filings or applications to be made and there are no outstanding orders, decisions or directives made or pending which are or would be adverse to the Borrower or the Charged Premises in respect of any residential unit located on the Charged Premises;

(u) If and as applicable, the Borrower is not a non-resident corporation or person of Canada within the meaning of the *Income Tax Act* (Canada);

(v) If applicable, each partner of the limited partnership of which the Borrower is the general partner is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);

(w) If applicable, with respect to each partner of the limited partnership of which the Borrower is a general partner that is a Canadian corporation, either (i) the shares of that corporation do not derive their value, directly or indirectly, primarily from foreign property, all within the meaning of the *Income Tax Act* (Canada) or (ii) the corporation is a corporation described in subsection 206(1.1) of the *Income Tax Act* (Canada), as that provision may be amended from time to time;

(x) The Borrower shall not, without the prior written consent of the Lender, execute or deliver any mortgage, charge, lien or other encumbrance of the Lands intended to rank subordinate to this Charge; and

(y) The Borrower is not and shall not be during the Term (without the prior written consent of the Lender), a farmer within the meaning of the *Farm Debt Mediation Act* (Canada).

8.2 The representations and warranties set out in this Article 8 shall speak as of the date made, survive the execution and delivery of this Charge and the making of any advance hereunder and continue to be true and accurate during the Term of this Charge, notwithstanding any investigations or examinations which may be made by the Lender or the Lender's solicitors and the Lender shall be deemed to have relied on such representations and warranties in making advances under the Loan.

8.3 The Borrower shall indemnify and save harmless the Lender from and against all losses, damages, claims and expenses directly or indirectly incurred or suffered by the Lender resulting from any omission, inaccuracy or misrepresentation of the Borrower herein relating to or concerning the Charged Premises and with respect to all losses, charges, claims and expenses directly or indirectly incurred or suffered by the Lender resulting from or arising in connection with environmental matters relating to, arising from, in connection with or concerning the Charged Premises, whether referred to or contemplated herein or hereby.

ARTICLE 9 – COVENANTS

9.1 The Borrower covenants with the Lender that upon the occurrence of an Event of Default, the Lender shall have quiet possession of the Charged Premises, free from any encumbrances, save and except for the Permitted Encumbrances.

9.2 The Borrower shall not without the prior written consent of the Lender, which may be withheld in the sole discretion of the Lender permit or suffer to exist any charges, liens, security interests or other encumbrances against the Charged Premises, save and except for the Permitted Encumbrances; and the Borrower shall maintain the Permitted Encumbrances in good standing and provide notice to the Lender forthwith of any default under any of the Permitted Encumbrances.

9.3 The Borrower shall not initiate, permit or suffer to exist any Event of Insolvency, in respect of itself or, to the extent that the Loan, this Charge or the Security is affected by the occurrence of any such event, of any related person or corporation, including without limitation, any parent corporation of the Borrower. The Borrower covenants and agrees (i) to provide two Business Days' notice prior to the occurrence of an Event of Insolvency (an "Insolvency Notice"), and agrees that the receipt of an Insolvency Notice by the Lender shall constitute an immediate Event of Default if the Borrower or any Guarantor(s) is an applicant or takes the benefit of such statute or proceeding or if any of these proceedings otherwise affect the rights or entitlements of the Lender under the Loan, this Charge or the Security or the Lender's ability to enforce this Charge or the Security, and (ii) prior to the commencement of any such proceedings, to deliver to the Lender copies of all relevant filing materials, including, without limitation, copies of draft court orders, plans of compromise, proposals and notices of intention, it being intended by the Borrower that the Lender be entitled during the period after receipt of an Insolvency Notice to enforce this Charge and the Security for the purpose of, among other things, taking possession and control of the Charged Premises, in the Lender's sole discretion.

9.4 The Borrower shall not, without the prior written consent of the Lender, initiate, join in or consent to any change to or modification in any private restrictive covenant, municipal or other governmental law, rule or regulation, by-law, or any other public or private restrictions, limiting or defining the uses which may be made of the Charged Premises, or any part thereof and which could adversely affect the Charge, the Security, the day- to-day operations of the Charged Premises, the income derived therefrom or the value of the Charged Premises.

9.5 The Borrower shall comply in all respects with all covenants, deed restrictions, easements and Applicable Laws which pertain to the ownership, use or operation of the Charged Premises or the performance by the Borrower of its obligations under this Charge and shall ensure that all representations and warranties contained herein continue to be true and accurate at all times during the Term.

9.6 The Borrower shall permit the Lender, or cause to be made available to the Lender, access to all records, both written and electronic, pertaining to the Charged Premises and upon request shall make copies of such information for the Lender. For such purposes, the Lender shall have reasonable access to the Charged Premises or such other place as such records are kept upon reasonable prior written notice to the Borrower.

9.7 The Borrower shall fulfil on a timely basis any undertaking provided by it to the Lender at the time of the advance of the Loan.

9.8 The Borrower covenants to ensure that this Charge will remain a valid and enforceable mortgage of the Charged Premises with first priority subject only to the Permitted Encumbrances and the Borrower will fully and effectively maintain and keep the Security as valid and effective security during the currency hereof.

9.9 The Borrower shall promptly give written notice to the Lender of any litigation, proceeding or dispute affecting the Charged Premises if the result thereof might have a material adverse effect on the Charged Premises, the financial condition or operations of the Borrower or any Guarantor(s) or its ability to perform its obligations hereunder and shall, from time to time, furnish to the Lender all reasonable information requested by the Lender concerning the status of such litigation, proceeding or dispute and shall in all such cases diligently and in good faith proceed to defend, settle or otherwise deal with any such litigation, proceeding or dispute in a commercially reasonable manner.

9.10 The Borrower shall promptly give notice to the Lender upon becoming aware of and provide particulars in respect of:

(a) An Event of Default or any event which with the passage of time or giving of notice would constitute an Event of Default;

(b) Any default under a Lease;

(c) Details of material renovations to the Charged Premises when the Borrower intends to or reasonably anticipates that it will renovate the Charged Premises;

(d) Any default under any Permitted Encumbrance;

(e) Any notice of expropriation, action or proceeding materially affecting the Charged Premises or the violation of any Applicable Law which may have a material adverse affect on the Charged Premises; and

(f) Any matter which may have a material adverse affect upon the Borrower or the Guarantor(s) or Charged Premises or the operations conducted thereon, or the security constituted by this Charge and the Security.

9.11 The Borrower covenants at all times:

(a) to perform or cause to be performed all of the covenants and obligations on the part of lessor contained in the Leases (except the extent the same have been expressly waived by the other parties to such Leases and except in circumstances where the tenant is in default and the Borrower is acting prudently and in the best interests of the Charged Premises);

(b) to maintain or cause to be maintained the Lease Rights in good standing and not to do, permit to be done or omit to do anything which may impair the enforceability of the Lease Rights;

(c) save for the deposits for the first and last month rentals, not to accept Rents more than one (1) month in advance of the dates when Rents fall due;

(d) not to enter into Leases which are not at arm's length unless the terms thereof are at least equal to current market terms;

(e) not to enter into Lease which do not constitute Major Tenant Leases (each of which must be approved by the Lender as hereafter provided) unless such leases are substantially on Lender pre-approved standard lease forms and not to enter into Major Tenant Leases without the Lender's approval as hereafter provided;

(f) not to or to permit termination, alteration or amendment or waiver of rights or remedies or otherwise take any action with respect to any of the Leases which in the aggregate would create a material reduction in Rents from those payable as of the date hereof, without the prior approval of the Lender;

(g) not to further assign, mortgage or pledge or permit the assignment, mortgaging or pledging of any Lease or the rents thereunder, save for assignments by tenants of their tenant's interest in Leases, to the extent permitted under such Leases; and

(h) to ensure in respect of all Leases now or hereafter entered into that (i) the tenant thereunder, at the option of the Lender, subordinates its lease to the security of this Charge and attorns to and becomes a tenant of the Lender or any purchaser from the Lender in the event of the exercise of a sale remedy by the Lender, for the unexpired residue of the term and upon the terms and conditions of said lease, provided the Lender will agree to enter into non- disturbance agreements on commercially reasonable terms with all such tenants; and (ii) at the request of the Lender, provide as further security specific assignments of Leases hereinafter entered into.

9.12 The Borrower shall not, without the prior written consent of the Lender, acting reasonably and promptly, enter into any agreement or document in respect of the Charged Premises (except for leases in accordance with the terms hereof and the Security) which is material to the ownership, value, operation, or use of the Charged Premises unless the same is in the ordinary course of business.

9.13 With respect to any Major Tenant Lease, the Borrower shall not and shall not permit without the prior written consent of the Lender:

(a) cancel or modify any Major Tenant Lease, release the obligations of any lessee thereunder, accept a surrender of a Major Tenant Lease, accept any prepayment of Rents thereunder or consent to any sublet or assignment by the lessee under any Major Tenant lease (except where the provisions of such Major Tenant Lease require the landlord to do so); or

(b) enter into any Major Tenant Lease unless the terms, form and substance of such Major Lease is satisfactory to the Lender, acting reasonably; or

(c) to further assign, mortgage, pledge, hypothecate or otherwise deal with any Major Tenant Lease.

9.14 The Borrower shall do or cause to be done all things necessary to keep in full force and effect all rights, franchises, licences and qualifications necessary or incidental to perform or cause to be performed its obligations contained in this Charge and the Security and to carry on its business pertaining thereto as presently carried on.

9.15 The Borrower shall from time to time to pay or cause to be paid all amounts related to taxes, wages, workers compensation obligations, government royalties, and any other similar amounts relating to the business conducted on the Charged Premises if non-payment thereof may result in an encumbrance (other than a Permitted Encumbrance) against the Charged Premises or any of the assets secured in favour of the Lender by the Security.

9.16 The Borrower shall not, without the prior written consent of the Lender, acting reasonably and promptly, cause or permit any change in the status of the Borrower that results in the representations contained in Subparagraph 8.1(u) or Subparagraph 8.1(v) ceasing to be accurate in all material respects.

9.17 The Borrower covenants, subject to the rights of reorganization herein contained, to continue as a corporation duly organized, validly subsisting and in good standing under the laws of its incorporating jurisdiction and maintain all necessary corporate power and authority to perform or cause to be performed its obligations contained herein and in the Security, to own and operate the Charged Premises and to carry on its business pertaining thereto as presently carried on.

9.18 The Borrower covenants that, unless in respect of a reorganization of the Borrower permitted under Paragraph 18.1(h) or with the consent of the Lender as provided therein, no steps or proceedings will be taken to amend or supersede the articles or bylaws of the Borrower and in any event no steps or proceedings, including any reorganization of the Borrower, will be taken in a manner which would impair or limit the Borrower's or its successor's ability to perform its obligations hereunder or under the Security.

9.19 The Borrower will not enter into any indenture, agreement, lease or other instrument, nor become subject to any trust agreement, charter, by-law, unanimous shareholders agreement or other corporate restriction, which materially adversely affects the Charged Premises.

ARTICLE 10 - TAXES/LIENS

10.1

(a) The Borrower shall pay or cause to be paid, all Taxes together with such other amounts, the failure to pay which would give rise to a lien against the Charged Premises, as and when the same shall fall due and payable (collectively, the "Bills").

(b) With respect to Taxes at the option of the Lender, the Borrower shall pay to the Lender in equal monthly instalments on the first day of each month in each calendar year during the Term, commencing on the first day of the month next following the Interest Adjustment Date, one-twelfth (1/12) of the annual Taxes (or such amount as may be required in order to pay the Taxes as they become due) as reasonably estimated by the Lender; said payments of Taxes shall be paid to the Lender in addition to the instalments of principal and/or interest due and payable under this Charge, to be deposited upon receipt and held by the Lender in an interest-bearing account for the payment of Taxes, with interest to accrue thereon to the benefit of the Borrower and to be credited in reduction of the amount required to be paid to the Lender for Taxes. The Lender agrees that upon and subject to receipt of monies for Taxes it will remit such monies to the proper municipal offices in payment of Taxes as required from time to time; provided that if any Event of Default shall occur and be continuing, then the Lender, at its sole option, may apply all or any part of any funds held in such account to any amount due hereunder, whether principal, interest or otherwise. The Borrower shall also pay, or cause to be paid, to the Lender before the due date for the payment of Taxes (or next periodic instalment date therefor, as the case may be) any sums in addition to the aforesaid monthly instalments which may be required in order that out of such sums held in trust or escrow by the Lender and such additional sums, the Lender may pay the whole amount of Taxes assessed thereto, on the due date for payment thereof. Notwithstanding the foregoing provisions of this Paragraph 10.1(b), the Borrower acknowledges that the Lender is under no obligation to collect from the Borrower monthly instalments on account of Taxes. In addition, the Borrower acknowledges its obligation to pay all Taxes when due, whether or not the payment of all Taxes are the responsibilities of tenants and whether or not such tenants have remitted the same to the Borrower.

(c) The Lender may, after written notice being given to the Borrower, pay all unpaid and due Taxes, and any amounts, the failure to pay which would give rise to a lien and any amounts so paid by the Lender shall become part of the Principal hereby secured and be a charge on the Charged Premises in favour of the Lender and shall be payable forthwith by the Borrower to the Lender with interest at the Applicable Rate until paid.

(d) If the Charged Premises or any part thereof are sold or forfeited for nonpayment of Taxes while any sum remains unpaid hereunder, the Lender may acquire the title and rights of the purchaser at any sale, or the rights of any other person or corporation becoming entitled on or under any such forfeiture, or the Lender may pay, either in its own name or in the name of the Borrower and on the Borrower's behalf, any and all sums necessary to be paid to redeem such land so sold or forfeited, and to revest such lands in the Borrower, and the Borrower hereby nominates and appoints the Lender as agent to pay such monies on the Borrower's behalf and in the Borrower's name, and any monies so expended by the Lender shall become part of the Principal Sum hereby secured and be a charge on the Charged Premises in favour of the Lender and shall be payable forthwith by the Borrower to the Lender and until so paid shall bear interest at the Applicable Rate or in the alternative, the Lender may purchase the Charged Premises at any tax sale of the same.

(e) Notwithstanding anything to the contrary herein contained, the Borrower shall have the right to contest or defend any actions brought to recover, or appeal any judgments recovered against it in respect of any Bills, or other like charges, or any construction or other liens levied or registered against the Charged Premises, by appropriate proceedings diligently conducted in good faith, provided that the Borrower shall have first deposited with the Lender, or otherwise provided to the reasonable satisfaction of the Lender, such security as the Lender acting reasonably may require including, without limitation, security for the payment of such Bills, charges or liens and any costs payable in connection therewith, and further provided that the Lender shall have determined, to its reasonable satisfaction, that any such contest, defence or appeal or any delay or nonpayment of such Bills, charges or liens shall not materially prejudice the prior charge or lien of this Charge or the title of the Borrower to the Charged Premises. Should the Lender at any time thereafter determine, in its reasonable discretion, that any such contest, defence or appeal or any delay or nonpayment of such Bills, charges or liens shall materially prejudice the prior charge or lien of this Charge or the title of the Borrower to the Charged Premises, the Lender may realize upon such security for payment as aforesaid and pay such Bills, charges or liens. Upon termination of such proceedings, the Borrower shall promptly pay or cause to be paid the amount of the Bills, charges or liens and any other costs, fees, interest and penalties as are properly payable upon determination of such proceedings and promptly cause any tax notifications, caveats, liens, certificates of or pertaining litigation or any other form of notice or encumbrance in respect thereof to be promptly discharged from the title to the Charged Premises at the sole expense of the Borrower whereupon all such security deposited or otherwise provided to the Lender and any proceeds from the realization thereof not paid on account of Bills as aforesaid, shall be returned and paid to the Borrower.

(f) The Borrower agrees to and does hereby indemnify the Lender against all claims, demands, costs, damages and expenses which arise in respect of any default, late payment, omission, act or proceeding by the Borrower, under or in respect of this Section 10.1.

(g) If the Lender comes into and for as long as it is in possession of the Charged Premises, the Lender, in its sole discretion, shall be entitled to and shall enjoy all the rights of the Borrower set out in Paragraph 10.1(d) hereof, to the exclusion of the Borrower.

ARTICLE 11 – INSURANCE

11.1 The Borrower will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Lender, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Lender. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Lender, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Lender. Evidence of continuation of all such insurance having been effected shall be produced to the Lender at least fifteen (15) days before the expiration thereof; otherwise the Lender may provide therefore and charge the premium paid and interest thereon at the rate provided for in the Charge to the Borrower and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Lender may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Lender and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Lender therefore shall be payable forthwith by the Borrower with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Lender as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

11.2 During any construction on the Charged Property, the Borrower shall maintain:

(i) Builders' all-risk coverage for 100% of the construction cost with loss payable to the Lender by way of an Insurance Bureau of Canada ("IBC") approved mortgage clause. The policy must cover flood, earthquake, building by-laws, delayed opening, must allow for partial occupancy of the premises and provide for interim loss payments during reconstruction;

(ii) Wrap-Up Liability coverage in an amount not less than $10,000,000 per occurrence;

(iii) Project performance and completion bonds and insurance, including coverage for labour and material bonds; and

(iv) Professional Liability coverage in an amount not less than $10,000,000.

ARTICLE 12 - ENVIRONMENTAL

12.1 The following capitalized terms shall have the following respective meanings:

"Environmental Approvals" means all applicable permits, licences, authorizations, consents, directions or approvals required by Governmental Authorities pursuant to the Environmental Laws with respect to the use, occupation, ownership or operation of the Charged Premises;

"Environmental Laws" means all applicable federal, provincial and municipal laws, by-laws, regulations, executory orders, judgments and protocols, relating in whole or in part, to the environment or its protection, and without restricting the generality of the foregoing, includes without limitation, those laws relating to the manufacturing, processing, use, handling, packaging, labelling, sale, storage, recycling, transportation, treatment, destruction, burial or disposal of Hazardous Substances, employee safety, and the emission, discharge, release, deposit, issuance, spraying, dumping, throwing, pouring, spilling, emptying, placing, leaking, seeping, exhausting or abandonment of Hazardous Substances into the atmosphere, air, surface water, ground water, land surface or subsurface strata and, in each such case, as such Environmental Laws may be amended or supplemented from time to time, and "Environmental Law" means any of them;

"Hazardous Substance" means any pollutant, contaminant, waste, hazardous waste, toxic substance or dangerous good which is defined or identified in or the object of any Environmental Law, the presence of which in the environment is in contravention of any Environmental Law; and

"Inspections" means all inspections, evaluations or tests conducted by the Lender or any agent or consultant thereof for the purpose of determining the environmental condition of the Charged Premises, as the Lender may deem appropriate, acting reasonably.

12.2 The Borrower represents and warrants (which representations and warranties shall continue throughout the Term of the Loan) that:

(a) The condition and use of the Charged Premises is and, to the best of the Borrower's knowledge, any prior use of the same was, in compliance in all material respects with all applicable Environmental Laws;

(b) The Charged Premises is not subject to any judicial or administrative proceedings alleging violation of any Environmental Laws and there are no outstanding orders or proceedings against the Charged Premises from a Governmental Authority responsible for protecting the environment alleging the violation of any Environmental Laws;

(c) To the knowledge of the Borrower, the Charged Premises is not the subject of any investigation by Governmental Authorities having jurisdiction evaluating whether any remedial action is needed to respond to a contravention of any Environmental Laws; and

(d) There is no contingent liability of which the Borrower has knowledge or reasonably should have knowledge in connection with the contravention of any Environmental Laws.

12.3 The Borrower covenants with the Lender:

(a) If not already provided, to provide to the Lender within ninety (90) days of the execution of this Charge, an environmental audit with respect to the Lands, and if an event shall have occurred after the date of this Charge, which the Lender, acting reasonably, believes may have resulted or may result in material adverse change in the environmental condition of the Charged Premises or any part thereof, to provide such further environmental audits as the Lender may require;

(b) To provide notice within fifteen (15) days of either having learned of any enactment or promulgation of any Environmental Laws which may result in any material adverse change in the condition, financial or otherwise, of the Charged Premises;

(c) To defend, indemnify and hold harmless the Lender, its directors, officers, employees, agents and their respective successors and assigns, against any and all loss, cost, expense, claim, liability or alleged liability arising out of any environmental damage occasioned to the Charged Premises contravention of any Environmental Laws;

(d) To, at all times and at its own expense, conduct its business and maintain the Charged Premises in compliance with all Environmental Laws and Environmental Approvals including causing all tenants of the Charged Premises to comply with the same;

(e) If the Borrower:

(i) receives notice from any Governmental Authority having jurisdiction that violation of any Environmental Law or Environmental Approval has been committed by the Borrower or any tenant with respect to the Charged Premises;

(ii) receives notice that any remedial order or other proceeding has been filed against the Borrower or any tenant alleging in respect of the Charged Premises violations of any Environmental Law or requiring the Borrower to take any action in connection with the release of a Hazardous Substance into the environment; or

(iii) receives any notice from a Governmental Authority having jurisdiction in respect of the Charged Premises that the Borrower or any tenant may be liable or responsible for costs associated with a nuisance or a response to, or clean up of, a release of a Hazardous Substance into the environment or any damages caused thereby;

to provide to the Lender a copy of such notice within ten (10) days of the Borrower's receipt thereof, and thereafter shall keep the Lender informed in a timely manner of any developments in such matters, and shall provide to the Lender such other information in respect thereto as may be reasonably requested by the Lender from time to time and shall proceed to deal with the same diligently and in good faith in order to bring the Charged Premises into compliance to the extent necessary to comply with Environmental Laws;

(f) Unless in existence on the Charged Premises on the date of this Charge, not to use, discharge, transport or install in or upon the Charged Premises any material or equipment containing PCBs or permit any tenant of the Charged Premises to do so and, to the extent in existence on the Charged Premises as of the date of this Charge, to maintain the same in compliance with all Environmental Laws;

(g) To maintain, and to require all occupants of the Charged Premises to maintain in good leak-proof condition all above-ground and underground storage tanks and drums on the Charged Premises;

(h) Not to install asbestos or permit asbestos to be installed in the Charged Premises. With respect to any asbestos present in the Charged Premises on the date of this Charge, the Borrower shall, at its expense, promptly comply with the requirements of Environmental Laws and Governmental Authorities respecting the use, removal and disposal of asbestos; and

(i) To obtain or cause its solicitors to obtain copies of all relevant environmental studies or assessments of the Charged Premises which the Borrower or its solicitors or agents have commissioned or which are in the possession or control of the Borrower, as of the date of this Charge and, to the extent any such assessments or studies are required by the Lender from time to time, to promptly provide same to the Lender upon request and hereby authorizes and directs its solicitors, agents and consultants to promptly release same to the Lender.

12.4 Having due regard to the rights of any tenant of the Borrower, the Lender and its employees and agents shall have the right, and are hereby granted permission by the Borrower, to enter the Charged Premises from time to time, and to have access to the Borrowers' relevant documents and records, in order to conduct Inspections, to determine compliance with Environmental Laws as the Lender, acting reasonably, may deem appropriate. Inspections shall be:

(a) at such times and to such extent as may be reasonable in the circumstances on prior notice to the Borrower if the Lender has reasonable grounds for believing that:

(i) there are, contrary to Environmental Laws or Environmental Approvals, Hazardous Substances in or upon the Charged Premises which have not been disclosed to and approved by the Lender and appropriate Government Authorities; or

(ii) the Borrower is in breach of any environmental representations in this Charge or its covenants in this Article; or

(iii) the Borrower is not in compliance with any Environmental Laws or material Environmental Approvals; and

(b) at any time without prior notice upon the occurrence of an Event of Default which is continuing.

If the Borrower is found not to be in compliance with the Environmental Laws or Environmental Approvals and such failure to comply becomes an Event of Default that is continuing, the Lender may, at its option (but without any obligation to do so) take such actions as are required, acting reasonably, to bring the Charged Premises into compliance, and the costs thereof shall immediately become due and payable to the Lender by the Borrower and shall be secured by the Security.

12.5 The Lender shall not, by virtue of being the chargee under this Charge or the enforcement of its rights contained herein for purposes of the Environmental Laws, be or be deemed to be the owner of, any of the Charged Premises, or to have management, charge, control, occupation or possession of any of the Charged Premises or the businesses of the Borrower, or of any Hazardous Substances located on, upon or within any of the Charged Premises.

12.6 The Borrower hereby covenants and agrees to be responsible for, and to indemnify and hold harmless the Lender and each of its officers, directors, employees and agents and their respective successors and assigns (in this Section, collectively referred to as the "Indemnified Parties") from and against all claims, demands, liabilities, losses, costs, damages and expenses (including, without limitation, reasonable legal fees and all costs incurred in the investigation, pursuing of any claim, or in any proceeding with respect to, defense and settlement of any item or matter hereinafter set out) that the Indemnified Parties may incur or suffer, directly or indirectly as a result of or in connection with:

(a) Any inaccuracy in or breach of the Borrower's representations and warranties relating to the environmental matters contained herein;

(b) The presence of any Hazardous Substance on, upon or within the Charged Premises, or the escape, seepage, leakage, spillage, discharge, emission, release, disposal or transportation away from the Charged Premises of any Hazardous Substance, whether or not there is compliance with all applicable Environmental Laws and Environmental Approvals;

(c) The imposition of any remedial order affecting the Lands, or any non-compliance with Environmental Laws or Environmental Approvals pertaining to the Charged Premises by any person, including the Borrower, the Lender or any person acting on behalf of the Lender; and

(d) Any diminution in the value or any loss on the disposition of the Charged Premises arising directly or indirectly as a result of the presence on the Lands of any Hazardous Substance, or as a result of the imposition of any remedial order or the breach by any person of any Environmental Law or Environmental Approval.

This indemnity shall survive the satisfaction and release of this Charge and the Security and the payment and satisfaction of all indebtedness hereunder. The benefit of this indemnity may be assigned by the Lender to any successor or assign of the Lender and the Borrower hereby consents to any such assignment.

ARTICLE 13 - ASSIGNMENT OF RENTS AND LEASES

13.1 As further security for the payment of all monies owing and the performance of all obligations to be performed hereunder, the Borrower does, as and by way of security, hereby sell, assign, transfer and set over unto to the Lender all of the Borrower's right, title and interest, both at law and equity, in and to the Lease Rights, to hold and receive the same unto the Borrower with full power and authority to demand, collect, sue for, recover and receive and give receipts for Rents and enforce payments of the same and enforce performance of the obligations of tenants under the Leases, provided, however, that, subject to the terms of this Charge, the Borrower shall have the full right, so long as no Event of Default has occurred and is continuing, to continue to collect Rents, to take or cause to take all actions as it deems necessary with respect to the Lease Rights, acting as a reasonable lessor.

13.2 It is expressly acknowledged and agreed by the Borrower that nothing contained in this Charge shall oblige the Lender to assume or perform any obligation of the Borrower to any third party in respect of or arising out of the assigned Lease Rights. The Lender may, however, after the occurrence of an Event of Default and while such Event of Default continues, at its option, assume or perform any such obligation as the Lender considers necessary or desirable to obtain the benefit of the Lease Rights, free of any set-off, reduction or abatement, and any money expended by the Lender in this regard shall form part of or be deemed to form part of the indebtedness secured by this Charge and shall bear interest at the Applicable Rate.

ARTICLE 14 - MANAGEMENT AND REPAIR

14.1 The Borrower shall cause the Charged Premises at all times to be professionally maintained, managed and operated and fully and continuously operational during customary business hours, including all uses ancillary or incidental to its operations, at all times, by competent managers and staff of proper background and training, in a first class manner consistent with the management and operation of other properties which are of size, location, use, class, age and type comparable to the Charged Premises, and the Borrower shall obtain the Lender's prior written approval of any manager and any management contract with any manager which may be entered into by the Borrower for the management of the Charged Premises. In addition to any other rights hereunder of the Lender, the Lender shall have the right, acting reasonably, to replace the manager at the expense of the Borrower in the event the management standards are not maintained as required hereunder and the situation is not remedied within thirty (30) days after written notice from the Lender. The Lender acknowledges and approves, as of the date hereof, of the Borrower or a company controlled by the Borrower acting as manager of the Charged Premises provided that the Charged Premises are managed and maintained in accordance with the provisions hereof.

14.2 The Borrower shall promptly repair, maintain, restore, replace, rebuild, keep, make good, finish, add to and put in order, or cause to be so done, the Charged Premises, so that the same shall, at all times, be in good condition and repair and to pay or cause to be paid when due all claims for labour performed and materials furnished therefor. The Borrower shall not commit or suffer any waste of the Charged Premises nor take any action that might invalidate or give cause for cancellation of any insurance maintained in respect of the Charged Premises. No building or other property now or hereafter charged by this Charge shall be removed, or demolished or nor shall the structure of any building be materially altered, redeveloped, retrofitted or renovated, without the prior written consent of the Lender, except that the Borrower shall have the right, without such consent, to remove and dispose of, free from the lien or charge of this Charge, such fixed equipment as from time to time may become worn out or obsolete, provided that either (a) simultaneously with or prior to such removal, and if necessary for the operation of the Charged Premises such equipment shall be replaced with other equipment of a quality comparable to that of the replaced equipment and free from any lien, title retention agreement, conditional sale contract, security agreement or other encumbrance, and by such removal and replacement the Borrower shall be deemed to have subjected such fixed equipment to the lien or charge of this Charge, or, (b) any net cash proceeds received from such disposition shall, at the option of the Lender, be paid over promptly to the Lender to be applied in a manner determined by Lender in its sole discretion toward the payment of any amounts owing hereunder or secured hereby. The Borrower shall notify the Lender promptly of any material damage to or defects in any of the Improvements, and thereafter forthwith shall make or cause to be made such repairs thereto as are required to correct any such damage or defects and return the Charged Premises to a state of condition and repair equivalent to the state of condition and repair required by the provisions of this Charge.

14.3 The Borrower shall comply with, or cause to be complied with, all statutes including without limitation the provisions of the *Construction Act* (Ontario), ordinances and requirements of any Governmental Authority having jurisdiction with respect to the Charged Premises; the Borrower shall complete and pay for, within a reasonable time, any structure at any time in the process of construction on the Charged Premises.

14.4 The Borrower shall permit the Lender or its authorized agents at all reasonable times to enter upon the Charged Premises and inspect same, and if such inspection reveals that any repairs or like actions are necessary, the Lender may give notice to the Borrower requiring the Borrower to repair, rebuild or reinstate the same, or take such other like action within a reasonable time. Any failure by the Borrower to comply with such notice shall constitute an Event of Default hereunder and the Lender may repair, rebuild or reinstate the Charged Premises at the cost of the Borrower and charge all sums of money determined by the Lender to be properly paid therefor and interest thereon at the Applicable Rate until paid.

ARTICLE 15 - INCREASED COSTS

15.1 In the event that as a result of any application of or any change in or enactment of any applicable law, regulation, treaty or official directive after the date hereof (whether or not having the force of law), or in the interpretation of application thereof by any court or by any governmental or other authority or entity charged with the administration thereof which now or hereafter:

(a) Subjects the Lender to any tax or changes the basis of taxation, or increases any existing tax, on payments of principal, interest or other amounts payable by the Borrower to the Lender under this Charge (except for taxes on the overall net income of the Lender or capital of the Lender imposed by the Government of Canada or any political subdivision thereof or by the jurisdiction in which the principal or lending office of the Lender is located); or

(b) Imposes, modifies or deems applicable any special requirements against assets held by, or deposits in or for the account of or any other acquisition of funds by the Lender or imposes on the Lender a requirement to maintain or allocate capital or additional capital in relation to the Loan; or

(c) Imposes on the Lender any other condition with respect to this Charge; or

(d) Renders any portion of this Charge illegal or unenforceable;

and the result of any of the foregoing is to increase the cost to the Lender, or reduce the amount of principal, interest or other amount received or receivable by the Lender hereunder or its effective return hereunder in respect of making or maintaining the Loan hereunder or to reduce the payments receivable by the Lender in respect of the Loan by an amount which the Lender deems to be material, the Lender shall promptly give written notice thereof to the Borrower setting out in reasonable detail the facts giving rise to and a summary calculation of such increased costs or reduced payments, and the Borrower shall forthwith pay to the Lender upon receipt of such notice that amount which will compensate the Lender for such additional cost or reduction in income (herein referred to as "Additional Compensation"). Upon the Lender having determined that it is entitled to Additional Compensation in accordance with the provisions of this Section, the Lender shall promptly so notify the Borrower. The Borrower shall forthwith pay to the Lender upon receipt of such notice such Additional Compensation calculated on the date of demand. The Lender shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this Section are then applicable notwithstanding that the Lender has previously been paid any Additional Compensation. The Lender shall endeavour to limit the incidence of any such Additional Compensation, including seeking recovery for the account of the Borrower, by appealing any assessment at the expense of the Borrower upon the Borrower's request.

15.2 All payments made by the Borrower to the Lender will be made free and clear of all present and future taxes, withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by Applicable Law and are made, the Borrower shall, as a separate and independent obligation, pay to the Lender all additional amounts as shall fully indemnify the Lender from any such taxes, withholding or deduction. Provided, however, that the Borrower shall have no obligation to pay any withholding or like tax which may be exigible, incurred or required as a result of the Lender being a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

15.3 If the result of any law, regulation, treaty or official directive or request or any change in or any introduction thereof or change in the interpretation or application thereof or compliance by the Lender with the same (including, without limitation, those relating to taxation, reserve requirements, capital adequacy or other banking or monetary controls) is such that it is or will become (other than as a result of some positive action of the Lender, including any participation or syndication hereof by the Lender) unlawful for the Lender to make, fund or allow to remain outstanding all or part of the Loan, or to carry out all or any of its other obligations under this Charge and/or the Security or receive interest or any fee at the Applicable Rate, then in such case:

(a) The Lender may give written notice to the Borrower of such law, regulation, treaty or official directive or request (whether or not having the force of law) or such change in or any introduction thereof or change in the interpretation or application thereof or compliance by the Lender with the same (including, without limitation, those relating to taxation, reserve requirements, capital adequacy or other banking or monetary controls) which such notice shall certify that such law, regulation, treaty, official directive or request is generally applicable to all other borrowers from the Lender with any accommodation similar to that herein provided; and

(b) The Borrower shall prepay the Indebtedness on such date and to such extent as the Lender shall certify to be necessary to comply with the relevant law or change described above;

provided, however, that should the Loan become unlawful, the Lender, without prejudice to its rights to require repayment and without any obligation on its part, will consider other means of funding the Loan which would not be unlawful, would allow the Lender to carry out its obligations in respect of the Loan and would enable the Lender to receive interest at the Applicable Rate, provided always, notwithstanding the foregoing, the Lender is not obligated to provide alternate funding.

ARTICLE 16 - OBTAINING AND MAINTAINING SECURITY

16.1 Regardless of whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Borrower or otherwise and in addition to any other amounts provided for herein or otherwise permitted by Applicable Law to be secured hereby, except as herein otherwise provided, the following are to be secured hereby and shall be a charge on the Charged Premises, together with the interest thereon at the Applicable Rate, and all such monies shall be repayable to the Lender, on demand, except as herein otherwise provided:

(a) All reasonable and properly chargeable solicitor's, inspector's, valuator's, consultant's, architect's, engineer's, surveyor's and appraiser's fees and out-of-pocket expenses:

(i) for drawing and registering this Charge and the Security and financing statements in connection therewith, and attending to advances hereunder;

(ii) for examining the Charged Premises and the title thereto up the date hereof;

(iii) for making and maintaining this Charge as a registered charge on the Charged Premises and maintaining the Security (including the registration and filing of renewals);

(iv) for the preparation of this Charge, the Security and any related documents and in exercising or enforcing or attempting to enforce or advising the Lender in respect of defaults hereunder or in pursuit of any right, power, remedy or purpose hereunder or subsisting at law;

(v) reasonable allowance for the time, work and expenses of the Lender or of any agent of the Lender in connection therewith; and

(b) All reasonable sums which the Lender may from time to time advance, expend, incur or suffer hereunder:

(i) for insurance premiums, Bills, Taxes, rates, or in or toward payment of prior liens, charges, encumbrances or claims charged or to be charged against the Charged Premises;

(ii) in maintaining, repairing, restoring or completing construction of the Charged Premise;

(iii) in inspecting, leasing, managing or improving the Charged Premises as permitted hereunder, including the price or value of any goods of any sort or description supplied to be used on the Charged Premises as permitted hereunder; and

(c) Without limiting the generality of any of the foregoing, the then current reasonable fee of the Lender and/or its solicitor for the following matters:

(i) executing any cessation or discharge of this Charge, notwithstanding that said cessation or discharge may have been prepared by the Borrower;

(ii) entering into an agreement to amend the interest rate or any other provision in the Charge;

(iii) handling any dishonored cheque;

(iv) preparing an amortization schedule showing the principal and interest components of payments due under this Charge;

(v) the cost of completing a Phase I & II Environmental Audit and such other environmental audits as the Lender may require in its discretion;

(vi) such other administrative matters as the Lender may perform with regards to the Charge or with regards to any collateral security, as permitted by the Commitment;

(vii) the fee charged by the Lender's insurance consultant to review the Borrower's policy of insurance for the subject lands including business interruption insurance if required by the Lender; and

(viii) the execution and delivery of any consents, postponements, acknowledgments or any other documents that may be required from the Lender, whether from the Borrower and/or any governmental authorities and/or public/private utilities.

16.2 If any action or proceeding be commenced (except an action to foreclose this Charge or to collect the money that is secured hereby) in which the Lender becomes a party or participant by reason of being the holder of this Charge or the indebtedness secured hereby, all sums paid by the Lender for the expense of so becoming a party or participating (including all reasonable and properly chargeable legal costs) shall, on written notice, be paid by the Borrower, together with interest thereon at the Applicable Rate from the dates of payment of such sums by the Lender, and shall be a lien and charge on the Charged Premises, prior to any right or title to, interest in, or claim upon the Charged Premises subordinate to the lien and charge of this Charge, and shall be deemed to be secured by this Charge, and that in any action or proceeding to foreclose this Charge, or to recover or collect the indebtedness secured hereby, provisions of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

ARTICLE 17 - CONDEMNATION AWARDS

17.1 The Borrower shall notify the Lender promptly upon it being aware of any and all awards or payments ("Condemnation Award(s)") including interest thereon, and the right to receive the same (save for any portion of any such Condemnation Award(s) paid for remedial purposes and which is actually used for such purpose) which may be made with respect to the Charged Premises, or any part thereof, as a result of:

(a) Any condemnation, eminent domain, compulsory acquisition, expropriation or like procedures ("Condemnation"), partial or complete, including any sidewalk or lane; or

(b) The imposition, and enforcement, of any restriction, regulation or condition to meet any building or development guideline for development or restriction of or by any municipality or other competent authority; or

(c) Any other material injury to or decrease in the value of the Charged Premises by any lawful regulation or any governmental authority having jurisdiction;

(any matter referred to in (a), (b) or (c) above being hereinafter called an "Incident of Expropriation") to the extent of all amounts which may be secured by this Charge at the date of receipt of any such Condemnation Award(s) by the Borrower. Notwithstanding the occurrence of any Incident of Expropriation, the Borrower shall continue to pay interest at the Applicable Rate on the Principal Sum. The Borrower does hereby charge, assign, set over and transfer to the Lender, any Condemnation Award(s) as security for the repayment of all Indebtedness.

17.2 Any Condemnation Award(s) received by the Lender shall be held by the Lender as part of the security for the Loan subject to application as provided in this Article 17. Pending such application, such amounts received shall be held and invested by the Lender, acting reasonably. If at any time an Event of Default has occurred and is continuing, the Lender may, at its option, apply such amounts in reduction of the amounts owing hereunder.

17.3 Notwithstanding the provisions of Sections 17.1 and 17.2, in the event that any Incident of Expropriation shall occur which, in the reasonable opinion of the Lender, would materially and adversely affect the security of the Charge or any other Security after the application of any Condemnation Award(s) pursuant to Section 17.1 hereof, the Lender may, at its option, declare such Incident of Expropriation to be an Event of Default and be entitled to exercise any and all rights and remedies available to it hereunder at law or in equity.

ARTICLE 18 - EVENTS OF DEFAULT

18.1 The whole of the Principal Sum together with interest thereon at the Applicable Rate, interest on overdue interest and any amounts payable pursuant to Article 6, and all other amounts secured hereby shall, at the option of the Lender, subject to Section 18.2 hereof, become due and payable and all powers conferred on the Lender herein and hereby shall become exercisable, in like manner to all intents and purposes as if the time herein mentioned for payment of such Principal monies had fully come and expired, if specifically provided for in this Charge, or if any of the following events shall occur (the occurrence of any such event together with the expiry of the applicable cure period, if any, and any other occurrence specifically provided for herein as an Event of Default being collectively referred to as an "Event of Default"):

(a) Upon default in payment of any regularly scheduled instalment of principal and/or interest beyond the date such payment is due and payable; or

(b) Upon default in payment of the Indebtedness due and owing on the Maturity Date; or

(c) Upon default in payment of any Indebtedness (other than an instalment of principal and/or interest and upon maturity) due hereunder within five (5) Business Days after written notice thereof is provided by the Lender; or

(d) Save as otherwise provided for in subparagraphs (a), (b) and (c) hereof or otherwise specifically provided herein, upon any default in the performance of any covenant or obligation of the Borrower hereunder within fifteen (15) days after written notice thereof is provided by the Lender, provided that if such default is curable and the nature of such default is such that the exercise of reasonable diligence of more than fifteen (15) days is required to cure such default, and if such default in the Lender's reasonable discretion does not jeopardize or adversely effect the security interest of the Lender hereunder or adversely affect the Borrower or its ability to perform its obligations hereunder or under the Security or adversely affect the Charged Premises, the Lender will not, for a further sixty (60) days so long as no other Event of Default has occurred, enforce its remedies in respect of such default while and so long as during such time the Borrower is actively continuing to diligently and in good faith cure such default; or

(e) If at any time during the Term there is a breach of any representation or warranty contained herein or at any time during the Term if any representation or warranty contained herein is no longer true or accurate or becomes untrue or inaccurate for any reason and provided the same can be rectified, and the same is not rectified within thirty (30) days after written notice thereof is provided by the Lender; or

(f) Upon the assignment by the Borrower to any other party of the whole or a part of the rents, income or profits arising from the Charged Premises, without the written consent of the Lender; or

(g) The occurrence of an Event of Insolvency; or

(h) If without the prior written consent of the Lender, in its sole and absolute discretion:

(i) the Borrower transfers, sells, conveys, or otherwise disposes of all or any part of the Charged Premises, or any interest therein (other than by way of Leases), whether legal or beneficial or enters into any transaction or series of transactions where all or any part of the Charged Premises becomes the property of another person, whether through reorganization, amalgamation, merger, consolidation or otherwise, or if there is any change in the legal or beneficial interest, in whole or in part, of the Charged Premises; or

(i) If, without the prior written consent of the Lender, in its sole and absolute discretion:

(i) there is any change in the Borrower's corporate control or change in the Borrower's effective control existing as of the date of this Charge; or

(ii) the Borrower creates, permits or suffers to exist any mortgage, pledge, charge, loan, assignment, hypothecation, security interest or other encumbrance attaching the Charged Premises other than this Charge, the Security and the Permitted Encumbrances; or

(j) Upon default by or non-compliance of the Borrower or any Guarantor(s), or any others bound by or acknowledging to be bound by the terms of this Charge, with respect to any of the provisions of the Security, this Charge or the Permitted Encumbrances; or

(k) If the Charged Premises are abandoned; or

(l) Failure by the Borrower to fulfil, complete or comply with any undertakings delivered by the Borrower to Lender in connection with the Loan in accordance with the terms of such undertakings; or

(m) Upon any breach, default, non-observance occurring or being alleged, charged or claimed against the Borrower as lessor under any lease or as sublessor under any sublease of the Charged Premises and the Borrower is not diligently proceeding to rectify any such breach, default, non-observance or non-performance or defend any allegations, charges or claims of the same; or

(n) If this Charge, or any of the Security, shall fail to constitute a legal, valid, binding and enforceable first charge, first assignment or first security interest, each enforceable in accordance with its terms, subject only to Permitted Encumbrances; or

(o) If in the reasonable opinion of the Lender there occurs an event which has a material adverse effect on the financial condition or operation of the Borrower, the Charged Premises, this Charge, the Security or the ability of the Borrower to pay the Indebtedness or to perform its obligations hereunder or under the Security and which cannot be rectified by the Borrower within a reasonable period of time.

18.2 Save as otherwise specifically provided, an Event of Default hereunder or under any Security shall not have occurred or be deemed to have occurred until the expiration of any applicable notice period, if any, called for in this Charge or in such Security within which the Borrower may remedy such default. In any event, if in the opinion of the Lender, an event has occurred which with the passing of time, the giving of notice or otherwise would constitute an Event of Default and as a result of which the Charged Premises or the property assets and undertaking subject to the Security is materially at risk, the Lender may take such action or exercise such remedies as may be appropriate without notice to the Borrower or the expiry of any cure period.

ARTICLE 19 - REMEDIES

19.1 If an Event of Default has occurred hereunder and is continuing (or if the Lender exercises its rights pursuant to Section 18.2 hereof before the occurrence of an Event of Default), then at any time thereafter, but subject always to the waiver thereof by the Lender, the Lender may:

(a) Declare the Indebtedness to be immediately due and payable and proceed to exercise any and all rights hereunder or under the Security or any other rights available to it under any other document or instrument or at law or in equity including without limitation, the drawdown of any letter of credit held by the Lender;

(b) Commence legal action to enforce payment of the Indebtedness or performance of the obligations by the Borrower to the Lender;

(c) At the expense of the Borrower, when and to such extent as the Lender deems advisable, observe and perform or cause to be observed and performed any covenant, agreement, proviso or stipulation contained herein or in the Security, and the reasonable cost thereof with interest thereon at the Applicable Rate until paid, shall immediately become due from the Borrower to the Lender after demand by the Lender upon the Borrower therefor;

(d) Pay or discharge any mortgage, encumbrance, lien, adverse claim or charge that may exist or be threatened against the Charged Premises; in any such case, the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Principal outstanding and shall bear interest at the Applicable Rate;

(e) Send or employ any inspector or agent to inspect and report upon the value, state and condition of the Charged Premises and may employ a lawyer to examine and report upon the title to the same;

(f) Immediately take possession of all of the Charged Premises or any part or parts thereof by action or otherwise, with power, among other things, to exclude the Borrower, to enforce the Borrower's rights, to preserve and maintain the Charged Premises, to repair, alter or extend the Charged Premises, to lease the Charged Premises, to complete construction and development of the Charged Premises, to operate and manage the Charged Premises and to collect or receive rents, income and profits of all kinds (including taking proceedings in the name of the Borrower for that purpose) and pay therefrom all reasonable expenses and charges of maintaining, preserving, protecting and operating the Charged Premises (payment of which may be necessary to preserve or protect the Charged Premises), and to enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including without limitation, power to advance its own moneys and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof, and all sums advanced or expended shall be added to the Principal outstanding and shall bear interest at the Applicable Rate;

(g) On default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice, sell and dispose in the Charged Premises with or without entering into possession of the same and with notice to such persons and in such manner and form and within such terms as provided under Part III of the *Mortgages Act* (Ontario), as amended; and all remedies available may be resorted to and all rights, powers and privileges granted or conferred upon the Lender under and by virtue of any statute or by this Charge may be exercised and no want of notice or publication or any other defect, impropriety or irregularity shall invalidate any sale made or purporting to be made in the Charged Premises; and the Lender may sell, transfer and convey any part of the Charged Premises on such terms, including on credit for all or part of the consideration, (provided the Borrower shall not be accountable for any default in respect of the credit), secured by contract or agreement for sale, or charge, or otherwise, as shall appear to the Lender most advantageous and for such prices as can reasonably be obtained therefor in the circumstances; and in the event of sale on credit or part cash and part credit, whether by way of contract for sale or by conveyance or transfer, charge, or otherwise, the Lender is not to be accountable for or charged with any monies until the same shall be actually received in cash or received by a take-back charge; and sales may be made from time to time of parts of the Charged Premises to satisfy interest and leaving the Principal or part thereof to run with interest at the Applicable Rate; and the Lender may make any stipulations as to title or evidences or commencement of title or otherwise as the Lender shall deem proper and may buy or rescind or vary any contract for sale; and on any sale or resale, the Lender shall not be answerable for loss occasioned thereby; and for any of such purposes the Lender may make and execute all arrangements and assurances that the Lender shall deem advisable or necessary;

(h) With respect to the Leases:

(i) to demand, collect and receive the Rents or any part thereof and to give acquittances therefor, and to take from time to time, in the name of the Borrower, any proceeding which may be, in the opinion of the Lender or its counsel, expedient for the purpose of collecting the Rents or for securing the payment thereof or for enforcing any of the Borrower's rights under the Leases;

(ii) to compound, compromise or submit to arbitration any dispute which has arisen or may arise in respect to any amount of Rent and any settlement arrived at shall be binding upon the Borrower;

(iii) to enter upon the Lands by its officers, agents or employees for the purpose of collecting the Rents; (iv) to receive, enjoy or otherwise avail itself of the Lease Rights; and

(v) on behalf of the Borrower to alter, modify, amend or change the terms of Leases; to terminate Leases, to enter into new Leases; to give consents, concessions or waivers of any rights or provisions of Leases; to accept surrenders of Leases; to give consents to assignment of or subletting under Leases;

(i) With or without taking possession of all or any part of the Charged Premises, sell, lease or otherwise dispose of the whole or any part of the Charged Premises, as agent for the Borrower and not the Lender, and in exercising the foregoing power, the Lender may, in its absolute discretion:

(i) sell, lease or otherwise dispose of the whole or any part of the Charged Premises by public auction, public tender with notice, or by private contract (in the name of or on behalf of the Borrower) or otherwise, with such notice, advertisement or other formality as is required by law;

(ii) make and deliver to the purchaser good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for the purchase money, and any such sale once effected shall be a perpetual bar, both at law and in equity, to the Borrower and all those claiming an interest in the Charged Premises by, from, through or under the Borrower making any claim against the purchaser of the Charged Premises;

(iii) grant, rescind, vary or complete any contract for sale, lease or options to purchase or lease, or rights of first refusal to purchase or lease the whole or any part of the Charged Premises, for cash or for credit, with or without security being given therefor, and on terms as shall appear to be most advantageous to the Lender (including a term that a commission be payable to the Lender or a related corporation in respect thereof) and if a sale is on credit, the Lender shall not be accountable for any moneys until actually received;

(iv) make any stipulation as to title or conveyance or commencement of title;

(v) re-sell or re-lease the Charged Premises or any part thereof without being answerable for any loss occasioned thereby; and

(vi) make any arrangements or compromises which the Lender shall think expedient in the interest of the Lender and to assent to any modification of this Charge, and to exchange any part or parts of the Charged Premises for any other property suitable for the purposes of the Lender on such terms as the Lender considers expedient, either with or without payment of money for equality or exchange or otherwise;

(j) Take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;

(k) To borrow or raise money on the security of the Charged Premises or any part thereof in priority to this Charge or otherwise, for the purpose of the maintenance, preservation or protection of the Charged Premises or any part thereof or for carrying on all or any part of the business of the Borrower relating to the Charged Premises;

(l) Take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term as used in this Charge includes a manager and a receiver and manager, and hereafter, the "Receiver") of all or any part of the Charged Premises;

(m) By instrument in writing appoint, with or without taking possession, any person to be a Receiver of the Charged Premises or of any part thereof and may remove any Receiver so appointed and appoint another in his stead, with all fees and costs related thereto being the Borrower's obligations; and the following shall apply in respect of any such Receiver so appointed:

(i) the Lender may from time to time fix the remuneration of the Receiver who shall be entitled to deduct that same out of the revenue from the Charged Premises or the proceeds thereof;

(ii) the Receiver shall, to the fullest extent permitted by law, be deemed the agent or attorney of the Borrower for all purposes and the Lender shall not be in any way responsible for any actions other than as caused by gross negligence, willful misconduct or fraud, of any Receiver, and the Borrower hereby agrees to indemnify and save harmless the Lender from and against any and all claims, demands, actions, costs, damages, expenses or payments which the Lender may hereafter suffer, incur or be required to pay as a result, in whole of in part, of any action taken by the Receiver or any failure of the Receiver to do any act or thing other than as are caused by gross negligence, willful misconduct or fraud;

(iii) the appointment of the Receiver by the Lender shall not incur or create any liability on the part of the Lender to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of the Receiver or the termination of any such Receivership shall not have the effect of constituting the Lender a mortgagee in possession in respect of the Lands or any part thereof;

(iv) the Receiver may exercise or pursue any other remedy or proceeding which the Lender is entitled as the holder of the Charge authorized or permitted hereby or by law or in equity in order to enforce the security constituted by this Charge;

(v) and for the purposes above, the Borrower hereby irrevocably empowers the Receiver so appointed as its attorney to execute deeds, transfers, leases, contracts, agreements or other documents on its behalf and in its place (and the same shall bind the Borrower and have the same effect as if such deeds were executed by the Borrower) and to affix the Borrower’s seal, if necessary, or a duplicate thereof to any of the same. On its own account or through a Receiver and whether alone or in conjunction with the exercise of all or any other remedies contemplated hereby, shall have the right, at any time, to notify and direct any account debtor to make all payments whatsoever to the Lender and the Lender shall have the right, at any time, to hold all amounts received from any account debtor and any proceeds as part of the Secured Property; any payments received by the Borrower from and after the security hereby constituted becomes enforceable, shall be held by the Borrower in trust for the Lender in the same medium in which received, shall not be commingled with any assets of the Borrower and shall, at the request of the Lender, be turned over to the Lender not later than the next Business Day following the day of their receipt; and

(vi) save as to claims for accounting under paragraph (o) below, the Borrower hereby releases and discharges the Lender and the Receiver from every claim of every nature, whether resulting in damages or not, which may arise or be caused to the Borrower by reason or as a result of anything done by the Lender or any successor or assign claiming through or under the Lender or the Receiver under the provisions of this paragraph unless such claim be the direct result of dishonesty or gross neglect;

(n) The Lender may at any time and from time to time terminate any receivership by notice in writing to the Borrower and to the Receiver;

(o) The Receiver shall account for all monies received in respect of the Charged Premises or any part thereof, and shall pay, out of such monies received, subject to the further direction of the Lender in its discretion, the following in the order specified:

(i) the Receiver’s remuneration;

(ii) all payments reasonably made or incurred by the Receiver in connection with its receivership;

(iii) 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 Charge, and all Bills, Taxes, insurance premiums and every other proper expenditure reasonably made or incurred by the Receiver in respect to the Charged Premises or any part thereof; and

(iv) all payments to the Lender of all interest due or falling due hereunder and the balance to be applied upon Principal due and payable and secured hereby;

and thereafter any surplus remaining in the hands of the Receiver after payments made as aforesaid shall be accountable to the Borrower or other persons entitled thereto; and

(p) On its own account or through a Receiver and whether alone or in conjunction with the exercise of all or any other remedies contemplated hereby, shall have the right, at any time, to notify and direct any account debtor to make all payments whatsoever to the Lender and the Lender shall have the right, at any time, to hold all amounts received from any account debtor and any proceeds thereof as security for the Indebtedness; any payments received by the Borrower from and after the security hereby constituted becomes enforceable, shall be held by the Borrower in trust for the Lender in the same medium in which received, shall not be commingled with any assets of the Borrower and shall, at the request of the Lender, be turned over to the Lender not later than the next Business Day following the day of their receipt.

ARTICLE 20 - DEFAULT UNDER SECURITY, PARAMOUNTCY DISCHARGE AND RENEWAL

20.1 Payments of principal and/or interest made under and pursuant to the terms of the Security shall constitute payment hereunder and vice versa and default in the payment of principal and/or interest under the Security shall constitute default hereunder and vice versa. Default in compliance with any of the conditions, covenants, undertakings, provisions and stipulations contained in the Security shall entitle the Lender to exercise all or any of the rights or remedies provided herein and the occurrence of and Event of Default hereunder or in compliance with any of the conditions, covenants, undertakings, provisions and stipulations contained herein shall entitle the Lender to exercise all or any of the rights or remedies provided in the Security. The occurrence of an Event of Default hereunder shall constitute an Event of Default under the Security and vice versa.

20.2 The cancellation of or any other dealing with any Security (other than foreclosure thereof) shall not release or affect this Charge, and the taking of this Charge, or the cancellation of or any other dealing with, or proceeding under (other than foreclosure hereunder), this Charge, shall not release or affect any Security:

(a) The Lender may at any time and from time to time release any part or parts of the Charged Premises or any other Security or any surety for payment of all or any part of the monies hereby secured or may release the Borrower or any other person from any covenant or other liability to pay the Principal Sum and interest and all other monies secured hereby, or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Lender, and without thereby releasing any other part of the Charged Premises, or any other Security or covenants herein contained, it being especially agreed that notwithstanding any such release, the Charged Premises, the Security and the covenants remaining unreleased shall stand charged with the whole of the monies hereby secured;

(b) In the event that the monies advanced hereunder are applied to payment of any charge or encumbrance, the Lender shall be subrogated to all the rights of and stand in the position of and be entitled to all the equities of the party or parties so paid whether such charge or encumbrance has or has not been discharged; and the decision of the Lender as to the validity or amount of any advance or disbursement made under this Charge or of any claims so paid, shall be final and binding on the Borrower; and

(c) The Lender shall not be charged with any monies receivable or collectible out of the Charged Premises or otherwise, except those actually received by or on behalf of the Lender and all revenue of the Charged Premises received or collected by the Lender from any source other than payment by the Borrower may, at the option of the Lender, be retained in a separate account to be used in, maintaining, insuring or improving the Charged Premises to the extent required for such purpose, in the opinion of the Lender, acting reasonably, or in payment of Taxes or other liens, charges or encumbrances against the Charged Premises, or applied in reduction of the amounts owing hereunder.

20.3 Subject to Section 6.1 hereof, upon payment of all amounts secured by this Charge, the Borrower shall be entitled to receive and the Lender shall provide a discharge of this Charge and the Security within a reasonable period of time after the request therefor. The Lender shall have a reasonable time after such payment within which to prepare and execute such discharge and all reasonable legal and other expenses for the preparation, execution and registration of such discharge and/or documents, as the case may be, shall be borne by the Borrower.

20.4 All payments made pursuant to Section 20.3 shall be made to and received by the Lender prior to 1:00 p.m. on the date due or the next succeeding Business Day in the event the date due is not a Business Day; provided such extension of time shall be included for the purposes of computation of interest.

ARTICLE 21 - NO MERGER OR WAIVER OF LENDER'S RIGHTS

21.1 It is further understood and agreed that this Charge and the Security shall stand as a continuing security for repayment of the Loan, including, all advances made thereunder together with all interest, damages, costs, charges and expenses which may become due and payable to the Lender in respect of or in connection with the Loan or any portion thereof, notwithstanding any fluctuation or change in the amount, nature or form of the Loan or in the obligations now or hereafter representing the Loan or any portion thereof or in the names of the obligors or any of them.

21.2 The rights of the Lender arising under this Charge shall be separate, distinct and cumulative and, except as expressly provided herein, none of them shall be in exclusion of the other and no act of the Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision, anything herein or otherwise to the contrary notwithstanding.

21.3 The giving and taking of this Charge shall in no way merge, waive, prejudice, suspend or affect any of the rights or remedies of the Lender under any Security which may be given or which may have been or may hereafter be given in respect of the Principal Sum hereof, interest and other monies secured by this Charge, or any part thereof, or under the Security and all rights and remedies which the Lender now has or may hereafter have against any one or more persons, are hereby preserved.

21.4 The taking of a judgment or judgments under any of the covenants or obligations herein or under any Security shall not operate as a merger of the covenants of the Borrower or affect the Lender's right to interest at the Applicable Rate on any monies due or owing to the Lender during the continuance of this Charge, under any of the covenants herein contained or on any judgment to be recovered thereon.

21.5 The covenant of the Borrower to pay interest shall not merge in any judgment in respect of any covenant or obligation of the Borrower under this Charge or any Security and such judgment shall bear interest at the Applicable Rate until such judgment and all interest thereon have been paid in full.

21.6 Any waiver by the Lender of any default by the Borrower or any omission on the Lender's part in respect of any default by the Borrower shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Borrower or the rights resulting therefrom.

21.7 No extension of time given by the Lender to the Borrower or anyone claiming under the Borrower, shall in any way affect or prejudice the rights of the Lender against the Borrower or any person liable for payment of the monies hereby secured.

ARTICLE 22 - FINANCIAL DATA

22.1 The Borrower shall provide or cause to be provided promptly to the Lender full and complete information about the financial condition and operations of the Charged Premises, including a comprehensive rent roll of all space in the Charged Premises, about the financial condition of the Borrower and any Guarantor(s) and such other information which the Lender may reasonably require from time to time, and the Lender shall have the right to examine the books and records of the Borrower relating to the Charged Premises at reasonable times and upon reasonable prior notice.

22.2 Without limiting the foregoing, the Borrower covenants and agrees to provide or cause to be provided to the Lender accountant prepared financial statements together with operating statements pertaining to the Charged Premises and such other financial information the Lender may reasonably require, (a) in the case of financial statements, within one-hundred and eighty (180) days of the end of each fiscal year of the Borrower (or such other time as may reasonably be required by the Lender), and (b) with respect to operating statements for the Charged Premises, within thirty (30) days of the end of each quarter of each calendar year. The financial statements are to be prepared by a reputable firm of chartered accountants and shall include a balance sheet, and a detailed statement of income and expenditures and supporting notes and schedules. The operating statements shall contain a certificate by a senior officer of the Borrower as to the contents and preparation thereof, and shall include detailed statements of income, expenditures results of operation and such other matters relating to the operation of the Charged Premises as the Lender may reasonably require. In the event applicable, the Borrower shall provide the Lender with copies of all proxy statements, reports and information circulars that the Borrower makes available to its shareholders and copies of all regular and periodic reports which the Borrower may file with any securities commission or any other Governmental Authority.

22.3 The Borrower shall provide or cause to be provided to the Lender, or as the Lender may direct, a comprehensive list of all current tenants and rentals of space in the Charged Premises during the Term, which list shall disclose, without limitation, the name of each tenant, the duration of its term, renewal options, if any, and the term thereof, the rental being paid, the last date on which rental was paid and whether such tenancy is in good standing. Such list shall contain an endorsement by an officer of the Borrower as to being complete and accurate.

22.4 All statements, reports and other documents required to be provided hereunder shall be prepared in a manner acceptable to the Lender, in its reasonable discretion.

ARTICLE 23 - NOTICE

23.1 Unless otherwise provided herein, any demand, notice or communication given or required to be given to a party hereunder shall be in writing and shall be personally delivered or given by transmittal by telecopy or facsimile transmission addressed to the respective parties at its address or telecopy or facsimile number set forth below or to such other address or telecopy or facsimile number as such party may designate by notice in writing to the other party hereto:

(a) If to the Borrower, at the address for service set out in the electronic Charge to which this schedule is attached; and

(b) If to the Lender, at the address for service set out in the electronic Charge to which this schedule is attached.

Any demand, notice or communication made by or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, and, if made or given by telecopy or by facsimile, on the first day other than a Saturday, Sunday or a statutory holiday in Ontario, on which Schedule I banks are open for commercial business in Toronto, Ontario, following the transmittal thereof.

ARTICLE 24 - GENERAL

24.1 If any provision of this Charge or the application thereof to any circumstances shall be held to be invalid or unenforceable, it shall be deemed severed herefrom and the remaining provisions of this Charge, or the application thereof to other circumstances, shall not be affected thereby and shall be held valid and enforceable to the full extent permitted by law. In particular, and without limiting the generality of the foregoing, to the extent any and all amounts due pursuant to Article 6 hereof may be deemed to be in excess of what is permissible by law, any such excess shall be deemed not to be due under this Charge.

24.2 Wherever used in this Charge, unless the context clearly indicates a contrary intent as unless or otherwise specifically provided herein, the word “Borrower” shall mean “Borrower and/or subsequent owner or owners of the Charged Premises”, the word “Lender” shall mean “Lender or any subsequent holder or holders of this Charge”.

24.3 The descriptive headings of the several subparagraphs or paragraphs or sections or articles of this Charge are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

24.4 Wherever the singular number or masculine gender is used in this Charge, the same shall be construed as including the plural and feminine or a body corporate, respectively, and vice versa, where the fact or context so requires; and the successors and assigns of any party executing this Charge are bound by the covenants, agreements stipulations and provisos herein contained. The covenants, agreements stipulations and provisos herein stated shall, except as otherwise limited hereby, be in addition to those granted or implied by statutory law.

24.5 This Charge shall be construed and enforceable under and in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the Borrower hereby irrevocably attorns to the non-exclusive jurisdiction of the courts sitting at Toronto, Ontario.

24.6 The Borrower shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Lender may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Charge and the priority accorded to them by law or under this Charge.

24.7 If any of the forms of words contained herein are also contained in Column 1 of Schedule “B” of the Short Forms of Mortgages Act (Ontario) and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column 2 of Schedule “B” of the said Act distinguished by the same number, and this Charge shall be interpreted as if the *Short Forms of Mortgages Act* (Ontario) were still in full force and effect. The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) shall be and are hereby expressly excluded from the terms of this Charge.

24.8 This Charge shall, whether or not it secures a current or running account, be a general and continuing security to the Lender for payment of the indebtedness in an amount not exceeding the amount secured by this Charge and performance of the Borrower's other obligations under the Charge notwithstanding any fluctuation or change in the amount, nature or form of the indebtedness or in the accounts relating thereto or in the bills of exchange, promissory notes and/or other obligations now or later held by the Lender representing all or any part of the indebtedness outstanding at any particular time; and the Charge will not be deemed to have been redeemed or become void as a result of any such event or circumstance.

24.9 This Charge is given as collateral security to the Commitment.

24.10 Notwithstanding any terms contained in the Commitment to the contrary, in the event of conflict between the Commitment and the terms of this Charge, the provisions of the Commitment shall prevail; provided that any provision herein contained that is not contained in the Commitment and vice versa shall not in and of itself be considered to be inconsistent or in conflict.

ARTICLE 25 – CONDOMINIUM PROVISIONS

25.1 The Borrower covenants and agrees that in the event that the security for the within Charge shall be or shall become a condominium unit(s) the following provisions shall apply.

(i) the Borrower does hereby assign to the Lender all of its rights to vote or consent in the affairs of the Condominium Corporation having jurisdiction over the subject lands and the Lender, may at its option, exercise the right of an owner of a condominium unit to vote or consent in the affairs of the Condominium Corporation in the place and stead of such owner, without in any way consulting the owner as to the manner in which the vote shall be exercised or not exercised, and without incurring any liability to the owner or anyone else because of the manner in which such vote or right to consent in the affairs of the Condominium Corporation was exercised.

(ii) the Borrower shall pay promptly, when due, any common expenses, assessments, instalments or payments due to the Condominium Corporation.

(iii) the Borrower shall observe and perform the covenants and provisions required to be observed and performed under or pursuant to the provisions of the *Condominium Act* (Ontario), all amendments thereto, and any legislation passed in substitution thereof, and the declaration and by-laws of the Condominium Corporation and any amendments thereto.

(iv) Where the Borrower defaults in the Borrower's obligation to contribute to the common expenses assessed or levied by the Condominium Corporation, or any authorized agent on its behalf, or any assessment, instalment of payment due to the Condominium Corporation, upon breach of any of the foregoing covenants or provisions in this paragraph contained, regardless of any other action or proceeding taken, or to be taken by the Condominium Corporation, the Lender, at its option and without notice to the Borrower, may deem such default to be a default under the terms of this Charge and proceed to exercise its rights therein and the Lender shall be entitled at its option to pay all common expense amounts as they come due and these amounts so paid together with legal fees shall form part of the Indebtedness.

ARTICLE 26 – CONSTRUCTION LOAN PROVISIONS

In the event that any of the monies advanced or to be advanced under this Charge are intended to finance any improvement to the Charged Premises, the parties hereto covenant and agree that the following conditions shall apply:

26.1 All construction on the Charged Premises shall be carried out by reputable contractors having experience which is commensurate to nature and size of the project to be constructed, which contractors must be prior approved by the Lender in writing, such approval not to be unreasonably withheld.

26. 2 The construction of the building and structures located on the Charged Premises have been commenced and shall be continued in a good and workmanlike manner, with all due diligence and in accordance with the plans and specifications delivered to the Lender and to the satisfaction of all governmental and regulatory authorities having jurisdiction.

26.3 Provided that should construction of the project on the Charged Premises cease for any reason whatsoever (strikes, material shortages and weather conditions beyond the control of the Borrower excepted), for a period of ten (10) consecutive days (Saturdays, Sundays and Statutory holidays excepted), then, at the option of the Lender, this Charge shall immediately become due and payable. In the event that construction does cease, then the Lender shall have the right, at its sole option, to assume complete control of the construction of the said project in such manner and on such terms as it deems advisable. The cost of completion of the said project by the Lender and all expenses incidental thereto shall be added to the principal amount of this Charge, together with a management fee of fifteen percent (15%) of the costs of the construction completed by the Lender. All costs and expenses, as well as the management fee of fifteen percent (15%) added to the principal amount of this Charge shall bear interest at the rate as herein provided for and shall form part of the principal sum herein and the Lender shall have the same rights and remedies to collection of principal and interest hereunder or at law.

26.4 At all times there shall be sufficient funds unadvanced under this Charge and retained by the Lender to complete the construction and/or renovation of the project on the Charged Premises and as may be necessary to retain the Lender's priority with respect to any deficiency in the holdbacks required to be retained by the Borrower under the *Construction Act* (Ontario).

26.5 This Charge will be advanced in stages as construction upon the Charged Premises proceeds or as the conditions as enumerated by the Commitment are complied with.

26.6 All advances which are made from time to time hereunder shall be based on certificates of a duly qualified architect, engineer, quantity surveyor, cost consultant or other consultant(s) retained for the purpose of reviewing and advising the Lender with respect to the said project and the progress thereof, whose fees and costs shall be for the account of the Borrower regardless of by whom such person has been retained. All such certificates shall without limitation certify the value of the work completed and the estimated costs of any uncompleted work and such certificates shall further certify that such completed construction and/or renovation to the date of such certificate shall be in accordance with the approved plans and specifications for the said construction and further, in accordance with the building permits issued for such construction and in accordance with all municipal and other governmental requirements of all authorities having jurisdiction pertaining to such construction and that there shall be no outstanding work orders or other requirements pertaining to construction on the Charged Premises. Such certificates with respect to any values shall not include materials on the site which are not incorporated into the building.

26.7 The Borrower shall pay to the Lender on each occasion when an inspection of the Charged Premises is required to confirm construction costs to date and compliance with conditions for further advances, an inspection fee in such reasonable amount as the Lender may charge from time to time for each such inspection and the Lender's solicitors shall be paid their reasonable fees and disbursements for each sub-search and work done prior to each such advance and all such monies shall be deemed to be secured hereunder and the Lender shall be entitled to all rights and remedies with respect to collection of same in the same manner as it would have with respect to collection of principal and interest hereunder or at law.

26.8 The Borrower agrees to indemnify and hold the Lender harmless from any and all claims, demands, sums of money, debts, covenants, bonds, accounts, actions, causes of action, rights, obligations and liability of every kind whatsoever which arise out of claims against the property under the *Construction Act* (Ontario) and that any liens for work and/or supplies that are registered against the Borrower's interest in the property will be promptly discharged within seven (7) days from the date of registration of the lien. The Lender may, but is not required to, deal with the lien claimant and pay the lien claim into court pursuant to the provision of the *Construction Act* (Ontario) for the purpose of vacating the lien from title to the property. The Borrower agrees to be liable for all costs, claims, amounts and fees including, without limitation, all legal fees (on a solicitor and his client basis) incurred by the Lender arising from or in connection with the Borrower or the Lender obtaining and registering either a release of the lien or an order vacating the lien.

ARTICLE 27 - ASSIGNMENT AND SALE

27.1 The Loan and all other amounts secured hereby, this Charge, the Security and all documents ancillary or collateral thereto may, in the Lender's sole discretion and without the consent of the Borrower, in whole or in part, be participated, sold, securitized, syndicated or assigned by the Lender from time to time to one or more Persons.

27.2 The Lender may disclose to participants, transferees or assignees or to potential participants, transferees or assignees or others in connection with any sale, assignment, participation, securitization, transfer or syndication, such information concerning the Borrower or the Charged Premises as the Lender may consider to be appropriate in connection therewith.

27.3 No grant, assignment or transfer pursuant to this Article 27 shall constitute a repayment by the Borrower to the Lender of the Loan or any other amounts owing hereunder and included in such assignment or transfer and the Borrower acknowledges that all obligations under this Charge and the Security with respect to such assignment or transfer will continue and not constitute new obligations.

27.4 The Borrower agrees to be bound by and do all things necessary or appropriate to assist and give effect to any transfer, participation, securitization, sale, syndication or assignment, but shall incur no increased liabilities as a result thereof.

Schedule "A"
Permitted Encumbrances

1. unregistered or inchoate liens for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Charged Premises for amounts the payment of which is not yet due or delinquent;

2. undetermined or inchoate liens and charges incidental to current construction or current operations on the Charged Premises which have not been filed or registered according to applicable law against the Charged Premises and which relate to obligations neither due nor delinquent;

3. the exceptions and qualifications contained in section 44(1) of the Land Titles Act (Ontario) save and except for those listed in paragraphs 1, 2, 3, 4, 5, 11 and 14;

4. registered easements, rights of way, restrictive covenants and servitudes and other similar rights in land granted to, reserved or taken by any governmental authority or public utility, or any registered subdivision, development, servicing, site plan or other similar agreement with any governmental authority or public utility provided in each case that same has been complied with;

5. minor title defects or irregularities existing prior to the registration of this Charge, which are continuing and for which the Lender has not required in writing to be rectified after the registration of this Charge; and

6. any subsisting reservations contained in the original grant of the Charged Premises from the Crown.

This is Exhibit "**E**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

GENERAL SECURITY AGREEMENT

TO: HF MARKHAM (CC2) LP

RE: HF Markham (CC2) LP (the "**Lender**") loan/first mortgage to King David Inc. (the "**Borrower**"), guaranteed by Helen Roman-Barber (the "**Guarantor**"), pursuant to a facility letter dated September 18, 2023, as it may be amended from time to time (the "**Facility Letter**"), relating to the property municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario and legally described in PIN 03052-2361(LT) (the "**Property**")

---

1. SECURITY INTEREST

(a) For value received, the undersigned (the **"Debtor"**) hereby grants to the Lender a security interest (the "**Security Interest**") in the undertakings of the Debtor set forth herein, and in the Debtor's present and after acquired personal property set forth herein, being all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore, being all of the following, now owned or hereafter owned or acquired by or on behalf of the Debtor <u>limited in all cases to such personal property located at, relating to, derived from or used in connection with the Property and all accounts and proceeds derived therefrom</u> (hereinafter collectively called "**Collateral**"):

(i) all inventory of whatever kind and wherever situate;

(ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;

(iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (the "**Debts**");

(iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of the Debts, Chattel Paper or Documents of Title by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

(v) all contractual rights and insurance claims;

(vi) all patents, industrial designs, trade-marks, trade secrets and know-how, including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively, "**Intellectual Property**"); and

(vii) without in any way limiting the foregoing, all cash and reserve accounts of the Debtor, relating to, derived from or used in connection with the Property and all accounts and proceeds derived therefrom.

(b) The Security Interest granted hereby shall not extend or apply to, and Collateral shall not include the last day of the term of any lease or agreement therefor, but upon the enforcement of the Security Interest, the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act of the Province of Ontario, as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A., and the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement. Any reference herein to "**Collateral**" shall, unless the context otherwise requires, be deemed a reference to "**Collateral or any part thereof**".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Debtor to the Lender (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Lender shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

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

(a) the Collateral is genuine and owned by the Debtor free of all prior security interests, mortgages, liens, claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances shown on Schedule "A";

(b) all Intellectual Property applications and registrations are valid and in good standing, and the Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender or any assignee of the Lender, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" are accurate and complete; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of the Debtor's rights in the Collateral to the Lender will not result in a breach of any agreement to which the Debtor is a party.

4. COVENANTS OF THE DEBTOR

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

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringes of the Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all prior Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those shown on Schedule "A", and not to sell, exchange, transfer, assign, lease license or otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender or as may be required by law or contract; provided always that, until default, Debtor may, in the ordinary course of the Debtor's business, sell or lease inventory and, subject to Clause 7 hereof, use Money available to the Debtor;

(b) to notify the Lender promptly of:

(i) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or Collateral;

(ii) the details of any significant acquisition of Collateral;

(iii) the details of any claims or litigation affecting the Debtor or Collateral,

(iv) any loss or damage to Collateral;

(v) any default by any Account Debtor in payment or other performance of his /her obligations with respect to Collateral; and

(vi) the return to or repossession by the Debtor of Collateral.

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violations of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by the Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by the Lender; to apply to register all existing and future copyrights, trademarks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignment, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral all in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or Collateral as and when the same become due and payable;

(f) to insure Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct, with loss payable to the Lender and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby or intended to be affixed to real property, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of the Debtor in a proper and efficient manner, so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;

(i) to deliver to the Lender from time to time promptly upon request:

(i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;

(ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;

(iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;

(iv) all policies and certificates of insurance relating to Collateral: and

(v) such information concerning Collateral, the Debtor and the Debtor's business and affairs as the Lender may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to any compliance with the Debtor's covenants contained herein and Clause 7 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

6. SECURITIES

If Collateral at any time includes Securities, the Debtor authorizes the Lender to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Lender or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Lender shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its proxy to vote and take all actions with respect to such Securities. After default, the Debtor waives all rights to receive any notices or communications received by the Lender or its nominee(s) as such registered owner, and agrees that no proxy issued by the Lender to the Debtor or its order as aforesaid shall thereafter be effective.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after default under this Security Agreement shall be received and held by the Debtor in trust for The Lender and shall be turned over to the Lender upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral, except as required by law or contract and if The Lender receives any such Money prior to default, The Lender shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default the Debtor will not request or receive any Money constituting income from or interest on Collateral except as required by law or contract, and if the Debtor receives any such Money without any request by it, the Debtor will pay the same promptly to the Lender.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) After default has occurred, the Debtor authorizes the Lender:

(i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and deal with accordingly;

(ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If the Debtor receives any such increase or profits (other than Money) or payments or distributions, the Debtor will deliver the same promptly to the Lender to be held by the Lender as herein provided.

10. DISPOSITION OF MONEY

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

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between the Debtor and the Lender;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to the Debtor, if an individual;

(c) the bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy which is not being defended by the Debtor; the making of an assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor of any assets of the Debtor or the institution by or against or against the Debtor of any other type of insolvency proceeding under the Bankruptcy Act or otherwise which is not being defended by the Debtor;

(d) the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding-up of affairs of the Debtor which is not being defended by the Debtor;

(e) if any prior Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or if distress or analogous process is levied upon the assets of the Debtor or any part thereof; and

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with the Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Lender at or prior to the time of such execution.

12. ACCELERATION

The Lender, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if the Lender considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, the Lender may appoint or re-appoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "**Receiver**", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not the Lender, and the Lender shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor relating to the Property and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including the Debtor, enter upon, use and occupy the Property or such premises wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business relating to the Property, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by the Lender, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

(b) Upon default, the Lender may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) The Lender may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Lender may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and the Lender, and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of; collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper, whether Collateral or proceeds, and whether or not in the Lender's possession, and shall not be liable or accountable for failure to do so.

(e) The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law, and Debtor agrees upon request from The Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) The Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts described in Section 1(a) of this Security Agreement, in preparing or enforcing this Security Agreement, taking and maintaining custody of; preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as maybe required by the P.P.S.A.

(h) Upon default and receiving written demand from the Lender, the Debtor shall take such further action as may be necessary to evidence and effect any assignment or licensing of Intellectual Property to whomever the Lender directs, including to the Lender. The Debtor appoints any officer or director of the Lender upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on the Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) The Debtor hereby authorizes the Lender to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which the Debtor's business is carried on and Collateral and records relating thereto are situate) as the Lender may deem appropriate to perfect on any ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints any officer or director of the Lender from time to time the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of the Lender, whenever Indebtedness is immediately due and payable or the Lender has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Lender may, in its sole discretion, set off against Indebtedness any and all amounts then owned to the Debtor by the Lender in any capacity, whether or not due, and the Lender shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Lender's records subsequent thereto.

(c) Upon the Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all of such duties, and the Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate accruing on the indebtedness, obligations and liabilities of the Debtor to the Lender.

(d) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name, at the Lender's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by the Lender.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. If more than one the Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(i) Subject to the requirements of Clauses 13(g) and 14(j) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of the Lender, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of the Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to the Lender. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(j) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by the Lender, and is intended to be a continuing Security Agreement, and shall remain in full force and effect until an officer or director of the Lender shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by the Lender, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(k) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(l) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with and grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(m) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(n) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(o) The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Lender.

(p) The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term the "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of the amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Lender at the time of amalgamation and any "Indebtedness" of the amalgamated company to the Lender thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(q) This security agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of

Ontario, as the same may from time to time be in effect, including, where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Security Agreement.

[signing page follows]

[Site Specific General Security Agreement]

DATED this __17___ day of October, 2023.

KING DAVID INC.

Per: H Roman-Barber

Name: Helen Roman-Barber

Title: President

I have authority to bind the corporation

SCHEDULE "A"

1. PPSA File No. 638365257
2. PPSA File No. 761987655
3. PPSA File No. 767812716
4. PPSA File No. 793895976
5. PPSA File No. 795905091
6. PPSA File No. 795905145
7. PPSA File No. 778683726

The above noted security interests are permitted on the basis that they do not relate to the Property or are subordinated to the Lender's security interests relating to the Property.

SCHEDULE "B"

1. **Location of Debtor's Business Operations**:

   100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario

   212 King Street West, Suite 204, Toronto, Ontario

2. **Locations of Records relating to Collateral:**

   212 King Street West, Suite 204, Toronto, Ontario

3. **Locations of Collateral:**

   100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario

This is Exhibit "**F**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

GUARANTEE

TO: HF MARKHAM (CC2) LP

RE: HF Markham (CC2) LP (the "**Lender**") loan/first mortgage to King David Inc. (the "**Borrower**"), guaranteed by Helen Roman-Barber (the "**Guarantor**"), pursuant to a facility letter dated September 18, 2023, as it may be amended from time to time (the "**Facility Letter**"), relating to the property municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario and legally described in PIN 03052-2361(LT) (the "**Property**")

WHEREAS you, the Lender (hereinafter sometimes called "you" or the "**Lender**") have advanced funds or are about to advance funds to the Borrower and in consideration of your intention to advance the said funds to the Borrower, and other good and valuable consideration and the sum of Two ($2.00) Dollars, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby declares, covenants and agrees as follows:

1. In this Guarantee, the following words shall have the meaning as indicated opposite such words:

   (a) "**Credit**" - means financial accommodation of any kind whatsoever made to the Borrower pursuant to the Facility Letter.

   (b) "**Indebtedness**" - means in its broadest sense, all obligations of the Borrower to the Lender, alone or with others heretofore or hereafter incurred, whether voluntarily or involuntarily, whether due or not due, whether absolute, inchoate, contingent, liquidated or unliquidated together with interest and costs of the Lender on each and every such obligation due under the Facility Letter.

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

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

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

5. Upon this Guarantee bearing the signature of the Undersigned coming into your hands or the hands of any officer, agent or employee thereof the same shall be deemed to be finally executed and delivered by the Undersigned and shall not be subject to or affected by any promise or condition affecting or limiting the Undersigned liability except as set

forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of the Lender, unless contained herein, forms any part of this contract or has induced the making thereof or shall be deemed in any way to affect the Undersigned liability hereunder.

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

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

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

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

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

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

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

13. Upon the bankruptcy or winding up or other distribution of assets of the Borrower or any surety or Undersigned of any Indebtedness of the Borrower to you, your rights shall not be affected or impaired by your omission to prove your claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting the Undersigned liability to you and until all Indebtedness of the Borrower to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the Undersigned to you under this Guarantee and to prove and rank for such sums paid by the Undersigned and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to you. The Undersigned shall not be released from liability if recovery from the Borrower, any other Undersigned or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

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

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

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

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

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

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

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

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

22. In the event of your making a demand upon the undersigned or any or all of the undersigned upon this Guarantee each of the undersigned shall be held and bound to you directly as principal debtor in respect of the payment of the amounts hereby guaranteed and if there be more than one undersigned then liability hereunder shall be joint and several.

23. The undersigned covenant and agree to perform all such obligations referred to in the Security Documents which are the obligation of the undersigned to perform.

24. In connection to the Indebtedness, this Guarantee is unlimited from the undersigned to and in favour of the Lender.

25. This Guarantee and Postponement of Claim on the part of the undersigned shall extend to and ensure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned and their executors, administrators, legal person representatives, successors and assigns.

[signing page follows]

[Guarantee]

DATED this 17 day of October, 2023.

Witness:

Name: Helen Roman-Barber

This is Exhibit "**G**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Properties

PIN	03052 - 2361 LT	*Interest/Estate*	Fee Simple
Description	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM		
Address	MARKHAM		

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 KING DAVID INC.

Address for Service 212 King Street West, Suite 204
Toronto, ON M5H 1K5

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

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

Chargee(s) *Capacity* *Share*

Name ROMANDALE FARMS LIMITED

Address for Service 212 King Street West, Suite 204
Toronto, ON M5H 1K5

Statements

Schedule: See Schedules

Provisions

Principal	$3,500,000.00	*Currency*	CDN
Calculation Period			
Balance Due Date	2024/08/01		
Interest Rate	Higher of 15.24% and TD Prime +8.04% per annum		
Payments			
Interest Adjustment Date			
Payment Date			
First Payment Date			
Last Payment Date			
Standard Charge Terms			
Insurance Amount	Full insurable value		
Guarantor			

Signed By

Perry Cheung	1000-120 Adelaide St. W. Toronto M5H 3V1	acting for Chargor(s)	Signed	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

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

Submitted By

Schneider Ruggiero Spencer Milburn LLP	1000-120 Adelaide St. W. Toronto M5H 3V1	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

File Number

Chargor Client File Number :	43464
Chargee Client File Number :	43464

SCHEDULE TO THE ATTACHED CHARGE/MORTGAGE

RECITALS

The Lender has agreed to make a loan in favour of the Borrower upon the terms and conditions more particularly contained herein.

The Borrower is the registered owner of the lands and premises described in the electronic Charge to which this schedule is attached.

This Charge is given by the Borrower to the Lender as continuing security for the repayment by the Borrower to the Lender of such loan and the performance by the Borrower of its obligations as more particularly described herein.

ARTICLE 1 - DEFINITIONS

1.1 For the purposes of this Charge the following definitions will apply:

"Applicable Laws" means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all then current laws, rules, statutes, regulations, treaties, orders, judgments and decrees and all official directives, rules, guidelines, orders, policies, decisions and other requirements of any Governmental Authority (whether or not having the force of law) (collectively, the "Law") relating or applicable to such Person, property, transaction, event or other matter and shall also include any interpretation of the Law or any part of the Law by any Person having jurisdiction over it or charged with its administration or interpretation;

"Applicable Rate" means the interest rate set out in the electronic Charge to which this schedule is attached or, in the alternative, the interest rate set out in the Commitment;

"Bills" has the meaning ascribed thereto in Section 10.1(a);

"Borrower" means the party identified as "Chargor" set out in the electronic Charge to which this schedule is attached and its successors and assigns;

"Business Day" means a day on which the Lender is open for business but specifically excluding Saturdays, Sundays or statutory holidays pursuant to the laws of Canada or the Province of Ontario and "Business Days" means more than one Business Day;

"Charge" means this charge/mortgage of land and all instruments supplemental hereto or in amendment, renewal, extension, restatement, replacement or confirmation hereof;

"Charged Premises" means, collectively, the Lands and the Improvements;

"Commitment" means the letter of commitment between, *inter alios*, the Borrower and the Lender dated July 26, 2023, as the same has been or may be amended, restated, supplemented, renewed, extended or superseded from time to time;

"Environmental Approvals" has the meaning ascribed to it in Section 12.1 hereof;

"Environmental Laws" or "Environmental Law" has the meaning ascribed to them in Section 12.1 hereof;

"Event of Default" has the meaning ascribed thereto in Section 18.1 hereof;

"Event of Insolvency" means the occurrence of any one of the following events:

(a) If the Borrower, or the Guarantor(s), shall, other than as expressly permitted hereby:

(i) be wound up, dissolved or liquidated, whether pursuant to the provisions of the laws of the Province of Ontario or the federal laws of Canada applicable therein, or any other law or otherwise, or becomes subject to the provisions of the *Winding-Up and Restructuring Act (*Canada), or has its existence terminated or has any resolution passed therefor; or

(ii) makes a general assignment for the benefit of its creditors or files a proposal or a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada), shall otherwise acknowledge its insolvency or shall be declared or become bankrupt or insolvent; or

(iii) proposes a compromise or arrangement or otherwise brings proceedings under or becomes subject to the provisions of the *Companies' Creditors Arrangement Act* (Canada) or shall file any petition or answer seeking any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution or any other relief for itself under, or in any way takes the benefit of, the *Bankruptcy and Insolvency Act* (Canada) or any other present or future law relative to bankruptcy, insolvency or other relief for debtors or for or against the benefit of creditors; or

(iv) be unable, by reason of insolvency or similar circumstances, to pay its trade creditors generally, within one hundred and twenty (120) days of the rendering of trade accounts or admit its inability to pay its debts or perform its obligations as they become due; or

(b) If a court of competent jurisdiction shall enter an order, judgment or decree against the Borrower in respect of any re-organization, arrangement, composition, re-adjustment, liquidation, dissolution, winding-up, termination of existence, declaration of bankruptcy or insolvency, or similar relief under any present or future law relative to bankruptcy, insolvency or other relief for debtors or for or against the benefit of creditors, or the Borrower shall acquiesce in the entry of such order, judgment or decree, unless the Borrower is also proceeding forthwith to diligently and in good faith contest the same and, provided that none of the Charged Premises, the Charge or the Security, the value of the Charged Premises or the operation thereof, are adversely affected and there is no prejudice to the Lender in the Lender's reasonable opinion, and such order, judgement or decree is vacated or permanently stayed within fifteen (15) days of its making; or

(c) If any trustee in bankruptcy, receiver, receiver and manager, monitor or liquidator or any other officer with similar powers shall be appointed for the Charged Premises or any portion thereof, or for the Borrower or the Guarantor(s), or for all or any substantial part of its assets or its interest in the Charged Premises with the consent or acquiescence of the Borrower; or

(d) If, other than as expressly permitted hereby, an encumbrancer or the holder of any lien or charge or any other creditor takes possession of the Charged Premises or the Borrower's interest in the Charged Premises, or any part thereof, or if a distress, execution, garnishment or any similar process is levied or enforced upon or against the same;

"Governmental Authority" means any federal, provincial, territorial or municipal government and any executive, judicial, regulatory or administrative functions of, or pertaining to, government (including, without limitation, all boards, commissions, agencies, departments and ministries);

"Guarantor(s)" means any Person from time to time guaranteeing the Indebtedness;

"Hazardous Substance" has the meaning ascribed to it in Section 12.1 hereof;

"Improvements" means the buildings, erections, structures, fixed machinery, fixed equipment, plant, and improvements now located on the Lands and all appurtenances pertaining thereto, together with all other buildings, structures, fixtures and improvements hereafter located from time to time in, on or under the Lands and all personal property, equipment and chattels now or hereafter affixed to the Lands or to such buildings, erections, structures, fixed machinery, fixed equipment, plant, and improvements owned by the Borrower;

"Indebtedness" means, collectively, the Principal Sum, any debts, liabilities, obligations, covenants and duties owing by the Borrower to the Lender of any kind or nature, present or future and arising under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith, whether or not evidenced by any note, guarantee or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, guarantee, 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 and in all cases arising under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith. The term includes, without limitation, all interest, yield maintenance, charges, expenses, fees, including all processing and commitment fees and all legal fees and disbursements (in each case whether or not allowed), and any other sum chargeable to the Borrower under, pursuant to or in connection with this Charge, the Security or any other document delivered pursuant to or in connection herewith or therewith;

"Inspections" has the meaning ascribed to it in Section 12.1 hereof;

"Interest Adjustment Date" means the interest adjustment date set by the Lender for the purposes of setting a payment schedule;

"Lands" means the lands and premises described in the electronic Charge to which this schedule is attached, including all tenements, hereditaments and appurtenances belonging or in any way appertaining thereto, and the reversion or reversions, remainder and remainders, rents, issues and profits therefrom, and all the estate, right, title, interest, property claim and demand whatsoever of the Borrower of, in and to the same and of, in and to every part thereof;

"Lease Benefits" means the benefit of all covenants and obligations of tenants, licencees or occupants contained in any of the Leases, including, without limitation, all rights and benefits of any guarantees thereof, the right to demand, sue for, collect, recover and receive all Rents, to enforce the landlord's rights under any Lease and generally any collateral advantage or benefit to be derived from the Leases or any of them;

"Lease Rights" means, collectively, the Leases, the Rents and the Lease Benefits;

"Leases" means all present and future leases, subleases, licences, agreements to lease, agreements to sublease, options to lease or sublease, rights of renewal or other agreements by which the Borrower, or any predecessor or successor in title thereto, has granted or will grant the right to use or occupy all or part or parts of the Charged Premises, including all agreements collateral thereto, but which, for the purpose of this definition does not include the Property Lease, and "Lease" means any one of them;

"Lender" means the party identified as "Chargee" in the electronic Charge to which this schedule is attached, and its successors and assigns;

"Loan" means the loan extended or to be extended by the Lender to the Borrower in the principal amount set out in the electronic Charge to which this schedule is attached and secured by this Charge and other security given to the Lender by the Borrower and the Guarantor(s), if any;

"Major Tenant Leases" means any agreements to lease, offers to lease or leases, subleases or occupancy agreements in respect of premises situate on the Charged Premises and which are determined by the Lender in its discretion to be material to the Charged Premises and the extension and maintenance of the Loan;

"Maturity Date" means, subject to early maturity by reason of the occurrence of an Event of Default and the acceleration of repayment at the option of the Lender, the balance due date set out in the electronic Charge to which this schedule is attached;

"Permitted Encumbrances" means encumbrances, liens and interests affecting the Charged Premises which are acceptable to the Lender in its sole discretion;

"Person" means any natural person, sole proprietorship, partnership, syndicate, trust, joint venture, Governmental Authority or any incorporated or unincorporated or entity or association of any nature;

"Principal" or "Principal Sum" means the principal amount of the Loan owing from time to time by the Borrower to the Lender;

"Rents" means all rents, issues and profits now due or to become due under or derived from the Leases;

"Security" means, collectively, the Commitment and all other or additional security, other than this Charge, given by the Borrower or others to the Lender as security for the Loan;

"Taxes" means for each year during the term of this Charge all real property taxes, business taxes, rates, duties, charges, assessments, impositions, taxes, levies and charges for local improvements or otherwise, imposed upon or assessed against the Charged Premises or any part or parts thereof by any Governmental Authority including, without limitation, school boards, and paid or payable by the Borrower or any tenant of the Charged Premises, but shall not include franchise, capital levy or transfer tax or any income, excess profits or revenue tax or any other tax or impost of a personal nature charged or levied upon the Borrower or any tenant of the Charged Premises. If the system of real property taxation or business shall be altered or varied and any new tax shall be levied or imposed on all or any portion of the Charged Premises or the revenues therefrom in substitution for, or in addition to, taxes presently levied or imposed, then any such new tax or levy shall be deemed to be and shall be included herein; and

"Term" means the term of this Charge and being a period which expires on the Maturity Date.

ARTICLE 2 - CHARGING PROVISIONS

2.1 Now therefore witnesseth that the Borrower, being the registered owner of a freehold estate in fee simple in possession of the Lands, in consideration of the Loan advanced or to be advanced by the Lender to the Borrower or for its benefit, and as security for the repayment of all Indebtedness and the performance of the obligations of the Borrower hereunder, does hereby grant, mortgage, charge and create a security interest in, to and in favour of the Lender all of its estate, right, title and interest in and to the Charged Premises and covenants and agrees to and with the Lender as hereinafter provided.

2.2 The last day of any term reserved by any lease or sublease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Borrower, as lessee, and forming part of the Charged Premises is hereby excepted out of the mortgage, charge, assignment and security interest hereby created or granted or any instrument in implementations hereof, and the same shall be deemed to be a charge by way of sublease. As further security for the payment of the Indebtedness, the Borrower agrees that it will stand possessed of the reversion of such last day of the term and shall hold it in trust for the Lender for the purpose of this Charge and to assign and dispose thereof, without cost or expense to the Lender, in such manner as the Lender shall by notice in writing, for such purpose, direct. Upon any sale, assignment, sublease or other disposition of such leasehold interest or any part thereof, the Lender, for the purpose of vesting the aforesaid one day residue of such term or renewal thereof in any purchaser, assignee, sublessee or other acquirer thereof, shall be entitled by deed or writing to appoint such party or parties as a new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Borrower and to vest the same accordingly in the new trustee or trustees so appointed freed and discharged from any obligation respecting the same.

ARTICLE 3 - REPAYMENT AND INTEREST

3.1 The Borrower covenants to pay to or to the order of the Lender at its offices as set out in Article 23 hereof or at such other address as the Lender may from time to time designate in writing, without set-off, compensation or deduction, and without deduction for bank service or any other charges, the Principal Sum together with all other Indebtedness with interest thereon at the Applicable Rate, as well after as before maturity and both before and after default, demand and judgment. Such interest at the Applicable Rate shall be computed from the date of advance to become due and be paid initially on the Interest Adjustment Date and thereafter to be paid in instalments of principal and/or interest as required by the Commitment, commencing on the first payment date set out in the Commitment or in the electronic Charge to which this schedule is attached and continuing each month during the Term, to and including the last payment date set out in the Commitment or the electronic Charge to which this schedule is attached, each such instalment to be in the amount stipulated in the Commitment or in the electronic Charge to which this schedule is attached and the last instalment, in the amount of the then remaining balance of the Principal Sum, other Indebtedness and accrued interest thereon, to be paid on the Maturity Date.

3.2 The Borrower acknowledges and agrees that monthly instalments for principal and/or interest, as required by the Commitment, described in Section 3.1 together with all payments for Taxes as set out in Section 10.1 hereof must pass through a single bank account on which the Borrower will have provided post-dated cheques (as required by the Lender) or have pre-authorized the Lender to withdraw the monthly payments under this Charge plus any Taxes payable in respect of the Charged Premises if not otherwise paid by the Borrower. In addition, the Borrower must maintain at all times in such account a minimum balance equal to the sum of the monthly payment of principal, interest and Taxes (as such Taxes become due).

3.3 It is hereby agreed that if default should occur in payment of any sum due at the time appointed for payment thereof as herein provided, compound interest at the Applicable Rate shall be payable on the sum in arrears from time to time, as well after as before maturity, and if interest as compounded is not paid within one (1) month from the time of default, a rest shall be made, and compound interest at the Applicable Rate shall be payable on the aggregate then due, as well after as before maturity, both before and after default, demand and judgement and so on from time to time and all such interest and compound interest shall be a charge on the Charged Premises.

3.4 All interest in arrears shall be treated (as to payment of interest thereon) as Principal and shall bear compound interest, as well after as before maturity, default and judgement as provided in Section 3.3 hereof.

3.5 The Borrower will pay interest, including interest on overdue interest, at the Applicable Rate on any arrears of instalments of principal and/or interest, and any payment by the Borrower shall be applied by the Lender first on account of interest and then on account of principal.

3.6 All payments of principal and interest pursuant to Section 3.1 shall be made to and received by the Lender prior to 1:00 p.m. on the date due, failing which such payment shall be deemed received on the next succeeding Business Day provided that in such case, such extension of time shall be included for the purpose of computation for interest; provided further that in the event any payment is due on a day which is not a Business Day, it shall be payable prior to 1:00 p.m. on the next succeeding Business Day and provided such payment is received by such date and such time, then, save in respect of repayment of the Indebtedness at the Maturity Date where interest shall be charged for extensions to the next succeeding Business Day, interest shall not be charged for such extension.

ARTICLE 4 - CRIMINAL RATE OF INTEREST

4.1 Notwithstanding any other provisions of this Charge, in no event shall the aggregate "interest" (as defined in Section 347 of the Criminal Code, (Canada), as the same shall be amended, replaced or re-enacted from time to time) payable to the Lender under this Charge exceed the effective annual rate of interest on the "credit advances" (as defined in that section) under this Charge lawfully permitted under that section and, if any payment, collection or demand pursuant to this Charge in respect of "interest" (as defined in that section) is determined to be contrary to the provisions of that section, such payment, collection, or demand shall be deemed to have been made by mutual mistake of the Lender and the Borrower and the amount of such payment or collection in excess of that lawfully permitted shall be refunded by the Lender to the Borrower.

ARTICLE 5 - INTEREST ACT (CANADA)

5.1 For the purposes of this Charge, whenever interest is payable or stated not on the basis of a yearly rate, such rate of interest may be determined by multiplying the Applicable Rate by a fraction the numerator of which is the actual number of days in the calendar year in which the same is to be ascertained and the denominator of which is the number of days in the period for which such rate is determined to be payable.

5.2 All calculations of interest or fees under this Charge are to be made on the basis of the stated rates set out herein and not on any basis which gives effect to the principle of deemed re-investment.

ARTICLE 6 - PREPAYMENT

6.1 Subject to prepayment provisions provided for in the Commitment, if any, or early maturity by reason of the acceleration of the repayment of the Indebtedness at the option of the Lender upon the occurrence of an Event of Default, the Borrower shall not be entitled to prepay all or any portion of the Principal under this Charge prior to the Maturity Date.

ARTICLE 7 - NO OBLIGATION TO ADVANCE

7.1 The Borrower acknowledges and agrees that the Lender is not bound to make any advance of any of the Principal Sum or any unadvanced portion thereof by reason of the registration of this Charge in any place or registry office or the advance of any part of the said Principal Sum, it being acknowledged by the Borrower that any advance hereunder is subject, inter alia, to: (i) the representations and warranties contained herein being true and correct as of the date of any advance of the Loan; (ii) no default having occurred hereunder, under any of the Security or under the Commitment; and (iii) the conditions precedent contained in the Commitment having been satisfied.

7.2 In the event this Charge is registered and either no advance whatsoever is made hereunder by the Lender or the Borrower's ability to draw down funds is terminated by the Lender before any funds are advanced, the Lender will, at the expense of the Borrower and upon payment of all monies, costs, fees and disbursements then due to the Lender, promptly upon request by the Borrower execute and deliver to the Borrower, or any agent thereof, registrable discharges of this Charge and of the Security, for use in every registry office where they or notices thereof have been recorded or filed; provided that the Borrower acknowledges that this Section 7.2 shall be of no effect once any advance of the funds is made hereunder by the Lender.

ARTICLE 8 - REPRESENTATIONS AND WARRANTIES

8.1 The Borrower represents and warrants in favour of the Lender, acknowledging that the Lender is relying on such representations and warranties in extending the Loan:

(a) The Borrower is a corporation duly organized, validly subsisting and in good standing under the laws of its incorporating jurisdiction and has all necessary corporate power and authority to enter into this Charge and the Security and to perform or cause to be performed its obligations contained herein and therein, to own and operate the Charged Premises and to carry on it business pertaining thereto as presently carried on;

(b) There are no provisions in the articles or bylaws of the Borrower or any unanimous shareholders agreement of or with respect to the Borrower or to which the Borrower is a party which restrict, limit or regulate in any way the powers of the Borrower to borrow on credit or to issue, sell or pledge any of the property or assets now or hereafter owned by it to secure its debt obligations, save and except any provisions which have been complied with. No steps or proceedings have been taken or are pending to amend or supersede the articles or bylaws of the Borrower in a manner which would impair or limit the Borrower's ability to perform its obligations hereunder or under the Security;

(c) The Borrower has taken all necessary corporate action to authorize the execution and delivery of this Charge and the Security, and performance of the provisions of each in accordance with its terms;

(d) The authorization, creation, execution or delivery of this Charge or the Security or the Borrower's performance of its obligations hereunder or thereunder does not require any approval or consent of any Governmental Authority having jurisdiction nor will any such action be in conflict with or contravene any of the Borrower's articles, bylaws, unanimous shareholders agreement, if any, or resolutions of directors or shareholders, or the provisions of any indenture, instrument, agreement or undertaking to which the Borrower is a party or by which it or its properties or assets are bound, or result in the creation, imposition or cyrstallization of any hypothec, title retention, charge, pledge, lien, encumbrance or security interest of any kind upon any of its property or assets subject to the Charge or security interest created thereby or by the Security other than in accordance with the provisions of this Charge and the Security. This Charge and the Security when executed and delivered will constitute valid and legally binding obligations of the Borrower, enforceable against it in accordance with its terms;

(e) There is not now pending or, to the best of the Borrower's knowledge or belief after due inquiry, threatened against the Borrower, any litigation, action, suit, investigation or other proceeding by or before any court, tribunal or other competent Governmental Authority which would materially adversely affect the present or prospective ability of the Borrower to perform its obligations under this Charge or the Security, as the case may be, or which calls into question the validity or enforceability of this Charge or the Security;

(f) No Event of Insolvency has occurred or is threatened or pending;

(g) The Borrower is the registered owner of and has a good and marketable title in fee simple to the Lands, and, unless otherwise disclosed to the Lender in writing, is the legal and beneficial owner of the Charged Premises, free and clear of all security interests, charges, liens and other encumbrances whatsoever except for the Permitted Encumbrances, which Permitted Encumbrances are in good standing;

(h) The Borrower has the right to charge the Charged Premises to the Lender;

(i) The Borrower has not received any notice of or threat of a lien under the *Construction Act* (Ontario), as amended, against the Charged Premises nor has any lien been registered against the Charged Premises in respect of labour, materials or services furnished with respect to any improvement thereon which has not been discharged;

(j) Unless expressly stipulated in the Commitment, the Charge is not being given with the intention to use the proceeds thereof to finance any alterations, additions or repairs to, or any construction, erection, demolition or installation on the Charged Premises or any structure thereon;

(k) Unless expressly stipulated in the Commitment, the Charge is not a building mortgage, within the meaning of the *Construction Act* (Ontario), as amended, and the funds to be advanced by the Lender are not being used to repay a building mortgage;

(l) There has been no improvement or materials supplied on or in respect of the Charged Premises in respect of which a construction lien could arise and which has not been completed or abandoned within the sixty (60) days immediately preceding the date hereof;

(m) Except as disclosed to the Lender in writing, the existing and proposed uses, the operation of the Charged Premises and the business conducted thereon comply and, to the best of the Borrower's knowledge and belief, have (including all prior uses) at all times complied with all Applicable Laws, including all Environmental Laws, and the Borrower is not in violation of, and does not violate, by virtue of the ownership, use, maintenance or operation of the Charged Premises or the conduct of any business related thereto, any Applicable Laws, including all Environmental Laws;

(n) The Charged Premises may be charged by the Borrower in compliance with the *Planning Act* (Ontario), and no severance of any adjoining lands owned by the Borrower is required;

(o) All financial statements and data delivered or presented to the Lender by the Borrower up to and including the date hereof are true and correct in all material respects as at the dates and for the periods indicated and have been prepared in accordance with Canadian generally accepted accounting principles and disclose to the Lender all financial information relevant to the Lender in respect of making the Loan and there is no information, financial or otherwise, which has not been disclosed to the Lender which would be material to the Lender in its decision to advance the Loan, and, without limiting the foregoing, neither the Guarantor(s) nor the Borrower has failed to disclose to the Lender any facts or information material to the making of the Loan;

(p) No Event of Default, or an event which with the giving of notice, lapse of time or otherwise, would constitute an Event of Default exists;

(q) Each Permitted Encumbrance is in good standing and all obligations and covenants required to be met or complied with thereunder on the part of the Borrower have been complied with and, in respect to any other party thereto to the best of the Borrower's knowledge and belief, have been met or complied with;

(r) All Leases entered into as of the date hereof are valid, subsisting and enforceable leases and are in good standing as of the date hereof without right of set-off or abatement;

(s) The Borrower is not bound by any indenture, agreement, lease or other instrument, nor is it subject to any trust agreement, charter, by-law, unanimous shareholders agreement or other corporate restriction or any of the Applicable Laws, which materially adversely affects its business operations in respect of the Charged Premises or the performance of its obligations under this Charge or the Security;

(t) The Borrower has complied with all Applicable Laws in respect of any residential unit located on the Charged Premises, including in respect of any conversion, demolition, rentals charged or filings or applications to be made and there are no outstanding orders, decisions or directives made or pending which are or would be adverse to the Borrower or the Charged Premises in respect of any residential unit located on the Charged Premises;

(u) If and as applicable, the Borrower is not a non-resident corporation or person of Canada within the meaning of the *Income Tax Act* (Canada);

(v) If applicable, each partner of the limited partnership of which the Borrower is the general partner is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);

(w) If applicable, with respect to each partner of the limited partnership of which the Borrower is a general partner that is a Canadian corporation, either (i) the shares of that corporation do not derive their value, directly or indirectly, primarily from foreign property, all within the meaning of the *Income Tax Act* (Canada) or (ii) the corporation is a corporation described in subsection 206(1.1) of the *Income Tax Act* (Canada), as that provision may be amended from time to time;

(x) The Borrower shall not, without the prior written consent of the Lender, execute or deliver any mortgage, charge, lien or other encumbrance of the Lands intended to rank subordinate to this Charge; and

(y) The Borrower is not and shall not be during the Term (without the prior written consent of the Lender), a farmer within the meaning of the *Farm Debt Mediation Act* (Canada).

8.2 The representations and warranties set out in this Article 8 shall speak as of the date made, survive the execution and delivery of this Charge and the making of any advance hereunder and continue to be true and accurate during the Term of this Charge, notwithstanding any investigations or examinations which may be made by the Lender or the Lender's solicitors and the Lender shall be deemed to have relied on such representations and warranties in making advances under the Loan.

8.3 The Borrower shall indemnify and save harmless the Lender from and against all losses, damages, claims and expenses directly or indirectly incurred or suffered by the Lender resulting from any omission, inaccuracy or misrepresentation of the Borrower herein relating to or concerning the Charged Premises and with respect to all losses, charges, claims and expenses directly or indirectly incurred or suffered by the Lender resulting from or arising in connection with environmental matters relating to, arising from, in connection with or concerning the Charged Premises, whether referred to or contemplated herein or hereby.

ARTICLE 9 – COVENANTS

9.1 The Borrower covenants with the Lender that upon the occurrence of an Event of Default, the Lender shall have quiet possession of the Charged Premises, free from any encumbrances, save and except for the Permitted Encumbrances.

9.2 The Borrower shall not without the prior written consent of the Lender, which may be withheld in the sole discretion of the Lender permit or suffer to exist any charges, liens, security interests or other encumbrances against the Charged Premises, save and except for the Permitted Encumbrances; and the Borrower shall maintain the Permitted Encumbrances in good standing and provide notice to the Lender forthwith of any default under any of the Permitted Encumbrances.

9.3 The Borrower shall not initiate, permit or suffer to exist any Event of Insolvency, in respect of itself or, to the extent that the Loan, this Charge or the Security is affected by the occurrence of any such event, of any related person or corporation, including without limitation, any parent corporation of the Borrower. The Borrower covenants and agrees (i) to provide two Business Days' notice prior to the occurrence of an Event of Insolvency (an "Insolvency Notice"), and agrees that the receipt of an Insolvency Notice by the Lender shall constitute an immediate Event of Default if the Borrower or any Guarantor(s) is an applicant or takes the benefit of such statute or proceeding or if any of these proceedings otherwise affect the rights or entitlements of the Lender under the Loan, this Charge or the Security or the Lender's ability to enforce this Charge or the Security, and (ii) prior to the commencement of any such proceedings, to deliver to the Lender copies of all relevant filing materials, including, without limitation, copies of draft court orders, plans of compromise, proposals and notices of intention, it being intended by the Borrower that the Lender be entitled during the period after receipt of an Insolvency Notice to enforce this Charge and the Security for the purpose of, among other things, taking possession and control of the Charged Premises, in the Lender's sole discretion.

9.4 The Borrower shall not, without the prior written consent of the Lender, initiate, join in or consent to any change to or modification in any private restrictive covenant, municipal or other governmental law, rule or regulation, by-law, or any other public or private restrictions, limiting or defining the uses which may be made of the Charged Premises, or any part thereof and which could adversely affect the Charge, the Security, the day- to-day operations of the Charged Premises, the income derived therefrom or the value of the Charged Premises.

9.5 The Borrower shall comply in all respects with all covenants, deed restrictions, easements and Applicable Laws which pertain to the ownership, use or operation of the Charged Premises or the performance by the Borrower of its obligations under this Charge and shall ensure that all representations and warranties contained herein continue to be true and accurate at all times during the Term.

9.6 The Borrower shall permit the Lender, or cause to be made available to the Lender, access to all records, both written and electronic, pertaining to the Charged Premises and upon request shall make copies of such information for the Lender. For such purposes, the Lender shall have reasonable access to the Charged Premises or such other place as such records are kept upon reasonable prior written notice to the Borrower.

9.7 The Borrower shall fulfil on a timely basis any undertaking provided by it to the Lender at the time of the advance of the Loan.

9.8 The Borrower covenants to ensure that this Charge will remain a valid and enforceable mortgage of the Charged Premises with first priority subject only to the Permitted Encumbrances and the Borrower will fully and effectively maintain and keep the Security as valid and effective security during the currency hereof.

9.9 The Borrower shall promptly give written notice to the Lender of any litigation, proceeding or dispute affecting the Charged Premises if the result thereof might have a material adverse effect on the Charged Premises, the financial condition or operations of the Borrower or any Guarantor(s) or its ability to perform its obligations hereunder and shall, from time to time, furnish to the Lender all reasonable information requested by the Lender concerning the status of such litigation, proceeding or dispute and shall in all such cases diligently and in good faith proceed to defend, settle or otherwise deal with any such litigation, proceeding or dispute in a commercially reasonable manner.

9.10 The Borrower shall promptly give notice to the Lender upon becoming aware of and provide particulars in respect of:

(a) An Event of Default or any event which with the passage of time or giving of notice would constitute an Event of Default;

(b) Any default under a Lease;

(c) Details of material renovations to the Charged Premises when the Borrower intends to or reasonably anticipates that it will renovate the Charged Premises;

(d) Any default under any Permitted Encumbrance;

(e) Any notice of expropriation, action or proceeding materially affecting the Charged Premises or the violation of any Applicable Law which may have a material adverse affect on the Charged Premises; and

(f) Any matter which may have a material adverse affect upon the Borrower or the Guarantor(s) or Charged Premises or the operations conducted thereon, or the security constituted by this Charge and the Security.

9.11 The Borrower covenants at all times:

(a) to perform or cause to be performed all of the covenants and obligations on the part of lessor contained in the Leases (except the extent the same have been expressly waived by the other parties to such Leases and except in circumstances where the tenant is in default and the Borrower is acting prudently and in the best interests of the Charged Premises);

(b) to maintain or cause to be maintained the Lease Rights in good standing and not to do, permit to be done or omit to do anything which may impair the enforceability of the Lease Rights;

(c) save for the deposits for the first and last month rentals, not to accept Rents more than one (1) month in advance of the dates when Rents fall due;

(d) not to enter into Leases which are not at arm’s length unless the terms thereof are at least equal to current market terms;

(e) not to enter into Lease which do not constitute Major Tenant Leases (each of which must be approved by the Lender as hereafter provided) unless such leases are substantially on Lender pre-approved standard lease forms and not to enter into Major Tenant Leases without the Lender’s approval as hereafter provided;

(f) not to or to permit termination, alteration or amendment or waiver of rights or remedies or otherwise take any action with respect to any of the Leases which in the aggregate would create a material reduction in Rents from those payable as of the date hereof, without the prior approval of the Lender;

(g) not to further assign, mortgage or pledge or permit the assignment, mortgaging or pledging of any Lease or the rents thereunder, save for assignments by tenants of their tenant’s interest in Leases, to the extent permitted under such Leases; and

(h) to ensure in respect of all Leases now or hereafter entered into that (i) the tenant thereunder, at the option of the Lender, subordinates its lease to the security of this Charge and attorns to and becomes a tenant of the Lender or any purchaser from the Lender in the event of the exercise of a sale remedy by the Lender, for the unexpired residue of the term and upon the terms and conditions of said lease, provided the Lender will agree to enter into non- disturbance agreements on commercially reasonable terms with all such tenants; and (ii) at the request of the Lender, provide as further security specific assignments of Leases hereinafter entered into.

9.12 The Borrower shall not, without the prior written consent of the Lender, acting reasonably and promptly, enter into any agreement or document in respect of the Charged Premises (except for leases in accordance with the terms hereof and the Security) which is material to the ownership, value, operation, or use of the Charged Premises unless the same is in the ordinary course of business.

9.13 With respect to any Major Tenant Lease, the Borrower shall not and shall not permit without the prior written consent of the Lender:

(a) cancel or modify any Major Tenant Lease, release the obligations of any lessee thereunder, accept a surrender of a Major Tenant Lease, accept any prepayment of Rents thereunder or consent to any sublet or assignment by the lessee under any Major Tenant lease (except where the provisions of such Major Tenant Lease require the landlord to do so); or

(b) enter into any Major Tenant Lease unless the terms, form and substance of such Major Lease is satisfactory to the Lender, acting reasonably; or

(c) to further assign, mortgage, pledge, hypothecate or otherwise deal with any Major Tenant Lease.

9.14 The Borrower shall do or cause to be done all things necessary to keep in full force and effect all rights, franchises, licences and qualifications necessary or incidental to perform or cause to be performed its obligations contained in this Charge and the Security and to carry on its business pertaining thereto as presently carried on.

9.15 The Borrower shall from time to time to pay or cause to be paid all amounts related to taxes, wages, workers compensation obligations, government royalties, and any other similar amounts relating to the business conducted on the Charged Premises if non-payment thereof may result in an encumbrance (other than a Permitted Encumbrance) against the Charged Premises or any of the assets secured in favour of the Lender by the Security.

9.16 The Borrower shall not, without the prior written consent of the Lender, acting reasonably and promptly, cause or permit any change in the status of the Borrower that results in the representations contained in Subparagraph 8.1(u) or Subparagraph 8.1(v) ceasing to be accurate in all material respects.

9.17 The Borrower covenants, subject to the rights of reorganization herein contained, to continue as a corporation duly organized, validly subsisting and in good standing under the laws of its incorporating jurisdiction and maintain all necessary corporate power and authority to perform or cause to be performed its obligations contained herein and in the Security, to own and operate the Charged Premises and to carry on its business pertaining thereto as presently carried on.

9.18 The Borrower covenants that, unless in respect of a reorganization of the Borrower permitted under Paragraph 18.1(h) or with the consent of the Lender as provided therein, no steps or proceedings will be taken to amend or supersede the articles or bylaws of the Borrower and in any event no steps or proceedings, including any reorganization of the Borrower, will be taken in a manner which would impair or limit the Borrower’s or its successor’s ability to perform its obligations hereunder or under the Security.

9.19 The Borrower will not enter into any indenture, agreement, lease or other instrument, nor become subject to any trust agreement, charter, by-law, unanimous shareholders agreement or other corporate restriction, which materially adversely affects the Charged Premises.

ARTICLE 10 - TAXES/LIENS

10.1

(a) The Borrower shall pay or cause to be paid, all Taxes together with such other amounts, the failure to pay which would give rise to a lien against the Charged Premises, as and when the same shall fall due and payable (collectively, the "Bills").

(b) With respect to Taxes at the option of the Lender, the Borrower shall pay to the Lender in equal monthly instalments on the first day of each month in each calendar year during the Term, commencing on the first day of the month next following the Interest Adjustment Date, one-twelfth (1/12) of the annual Taxes (or such amount as may be required in order to pay the Taxes as they become due) as reasonably estimated by the Lender; said payments of Taxes shall be paid to the Lender in addition to the instalments of principal and/or interest due and payable under this Charge, to be deposited upon receipt and held by the Lender in an interest-bearing account for the payment of Taxes, with interest to accrue thereon to the benefit of the Borrower and to be credited in reduction of the amount required to be paid to the Lender for Taxes. The Lender agrees that upon and subject to receipt of monies for Taxes it will remit such monies to the proper municipal offices in payment of Taxes as required from time to time; provided that if any Event of Default shall occur and be continuing, then the Lender, at its sole option, may apply all or any part of any funds held in such account to any amount due hereunder, whether principal, interest or otherwise. The Borrower shall also pay, or cause to be paid, to the Lender before the due date for the payment of Taxes (or next periodic instalment date therefor, as the case may be) any sums in addition to the aforesaid monthly instalments which may be required in order that out of such sums held in trust or escrow by the Lender and such additional sums, the Lender may pay the whole amount of Taxes assessed thereto, on the due date for payment thereof. Notwithstanding the foregoing provisions of this Paragraph 10.1(b), the Borrower acknowledges that the Lender is under no obligation to collect from the Borrower monthly instalments on account of Taxes. In addition, the Borrower acknowledges its obligation to pay all Taxes when due, whether or not the payment of all Taxes are the responsibilities of tenants and whether or not such tenants have remitted the same to the Borrower.

(c) The Lender may, after written notice being given to the Borrower, pay all unpaid and due Taxes, and any amounts, the failure to pay which would give rise to a lien and any amounts so paid by the Lender shall become part of the Principal hereby secured and be a charge on the Charged Premises in favour of the Lender and shall be payable forthwith by the Borrower to the Lender with interest at the Applicable Rate until paid.

(d) If the Charged Premises or any part thereof are sold or forfeited for nonpayment of Taxes while any sum remains unpaid hereunder, the Lender may acquire the title and rights of the purchaser at any sale, or the rights of any other person or corporation becoming entitled on or under any such forfeiture, or the Lender may pay, either in its own name or in the name of the Borrower and on the Borrower's behalf, any and all sums necessary to be paid to redeem such land so sold or forfeited, and to revest such lands in the Borrower, and the Borrower hereby nominates and appoints the Lender as agent to pay such monies on the Borrower's behalf and in the Borrower's name, and any monies so expended by the Lender shall become part of the Principal Sum hereby secured and be a charge on the Charged Premises in favour of the Lender and shall be payable forthwith by the Borrower to the Lender and until so paid shall bear interest at the Applicable Rate or in the alternative, the Lender may purchase the Charged Premises at any tax sale of the same.

(e) Notwithstanding anything to the contrary herein contained, the Borrower shall have the right to contest or defend any actions brought to recover, or appeal any judgments recovered against it in respect of any Bills, or other like charges, or any construction or other liens levied or registered against the Charged Premises, by appropriate proceedings diligently conducted in good faith, provided that the Borrower shall have first deposited with the Lender, or otherwise provided to the reasonable satisfaction of the Lender, such security as the Lender acting reasonably may require including, without limitation, security for the payment of such Bills, charges or liens and any costs payable in connection therewith, and further provided that the Lender shall have determined, to its reasonable satisfaction, that any such contest, defence or appeal or any delay or nonpayment of such Bills, charges or liens shall not materially prejudice the prior charge or lien of this Charge or the title of the Borrower to the Charged Premises. Should the Lender at any time thereafter determine, in its reasonable discretion, that any such contest, defence or appeal or any delay or nonpayment of such Bills, charges or liens shall materially prejudice the prior charge or lien of this Charge or the title of the Borrower to the Charged Premises, the Lender may realize upon such security for payment as aforesaid and pay such Bills, charges or liens. Upon termination of such proceedings, the Borrower shall promptly pay or cause to be paid the amount of the Bills, charges or liens and any other costs, fees, interest and penalties as are properly payable upon determination of such proceedings and promptly cause any tax notifications, caveats, liens, certificates of or pertaining litigation or any other form of notice or encumbrance in respect thereof to be promptly discharged from the title to the Charged Premises at the sole expense of the Borrower whereupon all such security deposited or otherwise provided to the Lender and any proceeds from the realization thereof not paid on account of Bills as aforesaid, shall be returned and paid to the Borrower.

(f) The Borrower agrees to and does hereby indemnify the Lender against all claims, demands, costs, damages and expenses which arise in respect of any default, late payment, omission, act or proceeding by the Borrower, under or in respect of this Section 10.1.

(g) If the Lender comes into and for as long as it is in possession of the Charged Premises, the Lender, in its sole discretion, shall be entitled to and shall enjoy all the rights of the Borrower set out in Paragraph 10.1(d) hereof, to the exclusion of the Borrower.

ARTICLE 11 – INSURANCE

11.1 The Borrower will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Lender, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Lender. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Lender, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Lender. Evidence of continuation of all such insurance having been effected shall be produced to the Lender at least fifteen (15) days before the expiration thereof; otherwise the Lender may provide therefore and charge the premium paid and interest thereon at the rate provided for in the Charge to the Borrower and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Lender may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Lender and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Lender therefore shall be payable forthwith by the Borrower with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Lender as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

11.2 During any construction on the Charged Property, the Borrower shall maintain:

(i) Builders' all-risk coverage for 100% of the construction cost with loss payable to the Lender by way of an Insurance Bureau of Canada ("IBC") approved mortgage clause. The policy must cover flood, earthquake, building by-laws, delayed opening, must allow for partial occupancy of the premises and provide for interim loss payments during reconstruction;

(ii) Wrap-Up Liability coverage in an amount not less than $10,000,000 per occurrence;

(iii) Project performance and completion bonds and insurance, including coverage for labour and material bonds; and

(iv) Professional Liability coverage in an amount not less than $10,000,000.

ARTICLE 12 - ENVIRONMENTAL

12.1 The following capitalized terms shall have the following respective meanings:

"Environmental Approvals" means all applicable permits, licences, authorizations, consents, directions or approvals required by Governmental Authorities pursuant to the Environmental Laws with respect to the use, occupation, ownership or operation of the Charged Premises;

"Environmental Laws" means all applicable federal, provincial and municipal laws, by-laws, regulations, executory orders, judgments and protocols, relating in whole or in part, to the environment or its protection, and without restricting the generality of the foregoing, includes without limitation, those laws relating to the manufacturing, processing, use, handling, packaging, labelling, sale, storage, recycling, transportation, treatment, destruction, burial or disposal of Hazardous Substances, employee safety, and the emission, discharge, release, deposit, issuance, spraying, dumping, throwing, pouring, spilling, emptying, placing, leaking, seeping, exhausting or abandonment of Hazardous Substances into the atmosphere, air, surface water, ground water, land surface or subsurface strata and, in each such case, as such Environmental Laws may be amended or supplemented from time to time, and "Environmental Law" means any of them;

"Hazardous Substance" means any pollutant, contaminant, waste, hazardous waste, toxic substance or dangerous good which is defined or identified in or the object of any Environmental Law, the presence of which in the environment is in contravention of any Environmental Law; and

"Inspections" means all inspections, evaluations or tests conducted by the Lender or any agent or consultant thereof for the purpose of determining the environmental condition of the Charged Premises, as the Lender may deem appropriate, acting reasonably.

12.2 The Borrower represents and warrants (which representations and warranties shall continue throughout the Term of the Loan) that:

(a) The condition and use of the Charged Premises is and, to the best of the Borrower's knowledge, any prior use of the same was, in compliance in all material respects with all applicable Environmental Laws;

(b) The Charged Premises is not subject to any judicial or administrative proceedings alleging violation of any Environmental Laws and there are no outstanding orders or proceedings against the Charged Premises from a Governmental Authority responsible for protecting the environment alleging the violation of any Environmental Laws;

(c) To the knowledge of the Borrower, the Charged Premises is not the subject of any investigation by Governmental Authorities having jurisdiction evaluating whether any remedial action is needed to respond to a contravention of any Environmental Laws; and

(d) There is no contingent liability of which the Borrower has knowledge or reasonably should have knowledge in connection with the contravention of any Environmental Laws.

12.3 The Borrower covenants with the Lender:

(a) If not already provided, to provide to the Lender within ninety (90) days of the execution of this Charge, an environmental audit with respect to the Lands, and if an event shall have occurred after the date of this Charge, which the Lender, acting reasonably, believes may have resulted or may result in material adverse change in the environmental condition of the Charged Premises or any part thereof, to provide such further environmental audits as the Lender may require;

(b) To provide notice within fifteen (15) days of either having learned of any enactment or promulgation of any Environmental Laws which may result in any material adverse change in the condition, financial or otherwise, of the Charged Premises;

(c) To defend, indemnify and hold harmless the Lender, its directors, officers, employees, agents and their respective successors and assigns, against any and all loss, cost, expense, claim, liability or alleged liability arising out of any environmental damage occasioned to the Charged Premises contravention of any Environmental Laws;

(d) To, at all times and at its own expense, conduct its business and maintain the Charged Premises in compliance with all Environmental Laws and Environmental Approvals including causing all tenants of the Charged Premises to comply with the same;

(e) If the Borrower:

(i) receives notice from any Governmental Authority having jurisdiction that violation of any Environmental Law or Environmental Approval has been committed by the Borrower or any tenant with respect to the Charged Premises;

(ii) receives notice that any remedial order or other proceeding has been filed against the Borrower or any tenant alleging in respect of the Charged Premises violations of any Environmental Law or requiring the Borrower to take any action in connection with the release of a Hazardous Substance into the environment; or

(iii) receives any notice from a Governmental Authority having jurisdiction in respect of the Charged Premises that the Borrower or any tenant may be liable or responsible for costs associated with a nuisance or a response to, or clean up of, a release of a Hazardous Substance into the environment or any damages caused thereby;

to provide to the Lender a copy of such notice within ten (10) days of the Borrower's receipt thereof, and thereafter shall keep the Lender informed in a timely manner of any developments in such matters, and shall provide to the Lender such other information in respect thereto as may be reasonably requested by the Lender from time to time and shall proceed to deal with the same diligently and in good faith in order to bring the Charged Premises into compliance to the extent necessary to comply with Environmental Laws;

(f) Unless in existence on the Charged Premises on the date of this Charge, not to use, discharge, transport or install in or upon the Charged Premises any material or equipment containing PCBs or permit any tenant of the Charged Premises to do so and, to the extent in existence on the Charged Premises as of the date of this Charge, to maintain the same in compliance with all Environmental Laws;

(g) To maintain, and to require all occupants of the Charged Premises to maintain in good leak-proof condition all above-ground and underground storage tanks and drums on the Charged Premises;

(h) Not to install asbestos or permit asbestos to be installed in the Charged Premises. With respect to any asbestos present in the Charged Premises on the date of this Charge, the Borrower shall, at its expense, promptly comply with the requirements of Environmental Laws and Governmental Authorities respecting the use, removal and disposal of asbestos; and

(i) To obtain or cause its solicitors to obtain copies of all relevant environmental studies or assessments of the Charged Premises which the Borrower or its solicitors or agents have commissioned or which are in the possession or control of the Borrower, as of the date of this Charge and, to the extent any such assessments or studies are required by the Lender from time to time, to promptly provide same to the Lender upon request and hereby authorizes and directs its solicitors, agents and consultants to promptly release same to the Lender.

12.4 Having due regard to the rights of any tenant of the Borrower, the Lender and its employees and agents shall have the right, and are hereby granted permission by the Borrower, to enter the Charged Premises from time to time, and to have access to the Borrowers' relevant documents and records, in order to conduct Inspections, to determine compliance with Environmental Laws as the Lender, acting reasonably, may deem appropriate. Inspections shall be:

(a) at such times and to such extent as may be reasonable in the circumstances on prior notice to the Borrower if the Lender has reasonable grounds for believing that:

(i) there are, contrary to Environmental Laws or Environmental Approvals, Hazardous Substances in or upon the Charged Premises which have not been disclosed to and approved by the Lender and appropriate Government Authorities; or

(ii) the Borrower is in breach of any environmental representations in this Charge or its covenants in this Article; or

(iii) the Borrower is not in compliance with any Environmental Laws or material Environmental Approvals; and

(b) at any time without prior notice upon the occurrence of an Event of Default which is continuing.

If the Borrower is found not to be in compliance with the Environmental Laws or Environmental Approvals and such failure to comply becomes an Event of Default that is continuing, the Lender may, at its option (but without any obligation to do so) take such actions as are required, acting reasonably, to bring the Charged Premises into compliance, and the costs thereof shall immediately become due and payable to the Lender by the Borrower and shall be secured by the Security.

12.5 The Lender shall not, by virtue of being the chargee under this Charge or the enforcement of its rights contained herein for purposes of the Environmental Laws, be or be deemed to be the owner of, any of the Charged Premises, or to have management, charge, control, occupation or possession of any of the Charged Premises or the businesses of the Borrower, or of any Hazardous Substances located on, upon or within any of the Charged Premises.

12.6 The Borrower hereby covenants and agrees to be responsible for, and to indemnify and hold harmless the Lender and each of its officers, directors, employees and agents and their respective successors and assigns (in this Section, collectively referred to as the "Indemnified Parties") from and against all claims, demands, liabilities, losses, costs, damages and expenses (including, without limitation, reasonable legal fees and all costs incurred in the investigation, pursuing of any claim, or in any proceeding with respect to, defense and settlement of any item or matter hereinafter set out) that the Indemnified Parties may incur or suffer, directly or indirectly as a result of or in connection with:

(a) Any inaccuracy in or breach of the Borrower's representations and warranties relating to the environmental matters contained herein;

(b) The presence of any Hazardous Substance on, upon or within the Charged Premises, or the escape, seepage, leakage, spillage, discharge, emission, release, disposal or transportation away from the Charged Premises of any Hazardous Substance, whether or not there is compliance with all applicable Environmental Laws and Environmental Approvals;

(c) The imposition of any remedial order affecting the Lands, or any non-compliance with Environmental Laws or Environmental Approvals pertaining to the Charged Premises by any person, including the Borrower, the Lender or any person acting on behalf of the Lender; and

(d) Any diminution in the value or any loss on the disposition of the Charged Premises arising directly or indirectly as a result of the presence on the Lands of any Hazardous Substance, or as a result of the imposition of any remedial order or the breach by any person of any Environmental Law or Environmental Approval.

This indemnity shall survive the satisfaction and release of this Charge and the Security and the payment and satisfaction of all indebtedness hereunder. The benefit of this indemnity may be assigned by the Lender to any successor or assign of the Lender and the Borrower hereby consents to any such assignment.

ARTICLE 13 - ASSIGNMENT OF RENTS AND LEASES

13.1 As further security for the payment of all monies owing and the performance of all obligations to be performed hereunder, the Borrower does, as and by way of security, hereby sell, assign, transfer and set over unto to the Lender all of the Borrower's right, title and interest, both at law and equity, in and to the Lease Rights, to hold and receive the same unto the Borrower with full power and authority to demand, collect, sue for, recover and receive and give receipts for Rents and enforce payments of the same and enforce performance of the obligations of tenants under the Leases, provided, however, that, subject to the terms of this Charge, the Borrower shall have the full right, so long as no Event of Default has occurred and is continuing, to continue to collect Rents, to take or cause to take all actions as it deems necessary with respect to the Lease Rights, acting as a reasonable lessor.

13.2 It is expressly acknowledged and agreed by the Borrower that nothing contained in this Charge shall oblige the Lender to assume or perform any obligation of the Borrower to any third party in respect of or arising out of the assigned Lease Rights. The Lender may, however, after the occurrence of an Event of Default and while such Event of Default continues, at its option, assume or perform any such obligation as the Lender considers necessary or desirable to obtain the benefit of the Lease Rights, free of any set-off, reduction or abatement, and any money expended by the Lender in this regard shall form part of or be deemed to form part of the indebtedness secured by this Charge and shall bear interest at the Applicable Rate.

ARTICLE 14 - MANAGEMENT AND REPAIR

14.1 The Borrower shall cause the Charged Premises at all times to be professionally maintained, managed and operated and fully and continuously operational during customary business hours, including all uses ancillary or incidental to its operations, at all times, by competent managers and staff of proper background and training, in a first class manner consistent with the management and operation of other properties which are of size, location, use, class, age and type comparable to the Charged Premises, and the Borrower shall obtain the Lender's prior written approval of any manager and any management contract with any manager which may be entered into by the Borrower for the management of the Charged Premises. In addition to any other rights hereunder of the Lender, the Lender shall have the right, acting reasonably, to replace the manager at the expense of the Borrower in the event the management standards are not maintained as required hereunder and the situation is not remedied within thirty (30) days after written notice from the Lender. The Lender acknowledges and approves, as of the date hereof, of the Borrower or a company controlled by the Borrower acting as manager of the Charged Premises provided that the Charged Premises are managed and maintained in accordance with the provisions hereof.

14.2 The Borrower shall promptly repair, maintain, restore, replace, rebuild, keep, make good, finish, add to and put in order, or cause to be so done, the Charged Premises, so that the same shall, at all times, be in good condition and repair and to pay or cause to be paid when due all claims for labour performed and materials furnished therefor. The Borrower shall not commit or suffer any waste of the Charged Premises nor take any action that might invalidate or give cause for cancellation of any insurance maintained in respect of the Charged Premises. No building or other property now or hereafter charged by this Charge shall be removed, or demolished or nor shall the structure of any building be materially altered, redeveloped, retrofitted or renovated, without the prior written consent of the Lender, except that the Borrower shall have the right, without such consent, to remove and dispose of, free from the lien or charge of this Charge, such fixed equipment as from time to time may become worn out or obsolete, provided that either (a) simultaneously with or prior to such removal, and if necessary for the operation of the Charged Premises such equipment shall be replaced with other equipment of a quality comparable to that of the replaced equipment and free from any lien, title retention agreement, conditional sale contract, security agreement or other encumbrance, and by such removal and replacement the Borrower shall be deemed to have subjected such fixed equipment to the lien or charge of this Charge, or, (b) any net cash proceeds received from such disposition shall, at the option of the Lender, be paid over promptly to the Lender to be applied in a manner determined by Lender in its sole discretion toward the payment of any amounts owing hereunder or secured hereby. The Borrower shall notify the Lender promptly of any material damage to or defects in any of the Improvements, and thereafter forthwith shall make or cause to be made such repairs thereto as are required to correct any such damage or defects and return the Charged Premises to a state of condition and repair equivalent to the state of condition and repair required by the provisions of this Charge.

14.3 The Borrower shall comply with, or cause to be complied with, all statutes including without limitation the provisions of the *Construction Act* (Ontario), ordinances and requirements of any Governmental Authority having jurisdiction with respect to the Charged Premises; the Borrower shall complete and pay for, within a reasonable time, any structure at any time in the process of construction on the Charged Premises.

14.4 The Borrower shall permit the Lender or its authorized agents at all reasonable times to enter upon the Charged Premises and inspect same, and if such inspection reveals that any repairs or like actions are necessary, the Lender may give notice to the Borrower requiring the Borrower to repair, rebuild or reinstate the same, or take such other like action within a reasonable time. Any failure by the Borrower to comply with such notice shall constitute an Event of Default hereunder and the Lender may repair, rebuild or reinstate the Charged Premises at the cost of the Borrower and charge all sums of money determined by the Lender to be properly paid therefor and interest thereon at the Applicable Rate until paid.

ARTICLE 15 - INCREASED COSTS

15.1 In the event that as a result of any application of or any change in or enactment of any applicable law, regulation, treaty or official directive after the date hereof (whether or not having the force of law), or in the interpretation of application thereof by any court or by any governmental or other authority or entity charged with the administration thereof which now or hereafter:

(a) Subjects the Lender to any tax or changes the basis of taxation, or increases any existing tax, on payments of principal, interest or other amounts payable by the Borrower to the Lender under this Charge (except for taxes on the overall net income of the Lender or capital of the Lender imposed by the Government of Canada or any political subdivision thereof or by the jurisdiction in which the principal or lending office of the Lender is located); or

(b) Imposes, modifies or deems applicable any special requirements against assets held by, or deposits in or for the account of or any other acquisition of funds by the Lender or imposes on the Lender a requirement to maintain or allocate capital or additional capital in relation to the Loan; or

(c) Imposes on the Lender any other condition with respect to this Charge; or

(d) Renders any portion of this Charge illegal or unenforceable;

and the result of any of the foregoing is to increase the cost to the Lender, or reduce the amount of principal, interest or other amount received or receivable by the Lender hereunder or its effective return hereunder in respect of making or maintaining the Loan hereunder or to reduce the payments receivable by the Lender in respect of the Loan by an amount which the Lender deems to be material, the Lender shall promptly give written notice thereof to the Borrower setting out in reasonable detail the facts giving rise to and a summary calculation of such increased costs or reduced payments, and the Borrower shall forthwith pay to the Lender upon receipt of such notice that amount which will compensate the Lender for such additional cost or reduction in income (herein referred to as "Additional Compensation"). Upon the Lender having determined that it is entitled to Additional Compensation in accordance with the provisions of this Section, the Lender shall promptly so notify the Borrower. The Borrower shall forthwith pay to the Lender upon receipt of such notice such Additional Compensation calculated on the date of demand. The Lender shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this Section are then applicable notwithstanding that the Lender has previously been paid any Additional Compensation. The Lender shall endeavour to limit the incidence of any such Additional Compensation, including seeking recovery for the account of the Borrower, by appealing any assessment at the expense of the Borrower upon the Borrower's request.

15.2 All payments made by the Borrower to the Lender will be made free and clear of all present and future taxes, withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by Applicable Law and are made, the Borrower shall, as a separate and independent obligation, pay to the Lender all additional amounts as shall fully indemnify the Lender from any such taxes, withholding or deduction. Provided, however, that the Borrower shall have no obligation to pay any withholding or like tax which may be exigible, incurred or required as a result of the Lender being a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

15.3 If the result of any law, regulation, treaty or official directive or request or any change in or any introduction thereof or change in the interpretation or application thereof or compliance by the Lender with the same (including, without limitation, those relating to taxation, reserve requirements, capital adequacy or other banking or monetary controls) is such that it is or will become (other than as a result of some positive action of the Lender, including any participation or syndication hereof by the Lender) unlawful for the Lender to make, fund or allow to remain outstanding all or part of the Loan, or to carry out all or any of its other obligations under this Charge and/or the Security or receive interest or any fee at the Applicable Rate, then in such case:

(a) The Lender may give written notice to the Borrower of such law, regulation, treaty or official directive or request (whether or not having the force of law) or such change in or any introduction thereof or change in the interpretation or application thereof or compliance by the Lender with the same (including, without limitation, those relating to taxation, reserve requirements, capital adequacy or other banking or monetary controls) which such notice shall certify that such law, regulation, treaty, official directive or request is generally applicable to all other borrowers from the Lender with any accommodation similar to that herein provided; and

(b) The Borrower shall prepay the Indebtedness on such date and to such extent as the Lender shall certify to be necessary to comply with the relevant law or change described above;

provided, however, that should the Loan become unlawful, the Lender, without prejudice to its rights to require repayment and without any obligation on its part, will consider other means of funding the Loan which would not be unlawful, would allow the Lender to carry out its obligations in respect of the Loan and would enable the Lender to receive interest at the Applicable Rate, provided always, notwithstanding the foregoing, the Lender is not obligated to provide alternate funding.

ARTICLE 16 - OBTAINING AND MAINTAINING SECURITY

16.1 Regardless of whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Borrower or otherwise and in addition to any other amounts provided for herein or otherwise permitted by Applicable Law to be secured hereby, except as herein otherwise provided, the following are to be secured hereby and shall be a charge on the Charged Premises, together with the interest thereon at the Applicable Rate, and all such monies shall be repayable to the Lender, on demand, except as herein otherwise provided:

(a) All reasonable and properly chargeable solicitor's, inspector's, valuator's, consultant's, architect's, engineer's, surveyor's and appraiser's fees and out-of-pocket expenses:

(i) for drawing and registering this Charge and the Security and financing statements in connection therewith, and attending to advances hereunder;

(ii) for examining the Charged Premises and the title thereto up the date hereof;

(iii) for making and maintaining this Charge as a registered charge on the Charged Premises and maintaining the Security (including the registration and filing of renewals);

(iv) for the preparation of this Charge, the Security and any related documents and in exercising or enforcing or attempting to enforce or advising the Lender in respect of defaults hereunder or in pursuit of any right, power, remedy or purpose hereunder or subsisting at law;

(v) reasonable allowance for the time, work and expenses of the Lender or of any agent of the Lender in connection therewith; and

(b) All reasonable sums which the Lender may from time to time advance, expend, incur or suffer hereunder:

(i) for insurance premiums, Bills, Taxes, rates, or in or toward payment of prior liens, charges, encumbrances or claims charged or to be charged against the Charged Premises;

(ii) in maintaining, repairing, restoring or completing construction of the Charged Premise;

(iii) in inspecting, leasing, managing or improving the Charged Premises as permitted hereunder, including the price or value of any goods of any sort or description supplied to be used on the Charged Premises as permitted hereunder; and

(c) Without limiting the generality of any of the foregoing, the then current reasonable fee of the Lender and/or its solicitor for the following matters:

(i) executing any cessation or discharge of this Charge, notwithstanding that said cessation or discharge may have been prepared by the Borrower;

(ii) entering into an agreement to amend the interest rate or any other provision in the Charge;

(iii) handling any dishonored cheque;

(iv) preparing an amortization schedule showing the principal and interest components of payments due under this Charge;

(v) the cost of completing a Phase I & II Environmental Audit and such other environmental audits as the Lender may require in its discretion;

(vi) such other administrative matters as the Lender may perform with regards to the Charge or with regards to any collateral security, as permitted by the Commitment;

(vii) the fee charged by the Lender's insurance consultant to review the Borrower's policy of insurance for the subject lands including business interruption insurance if required by the Lender; and

(viii) the execution and delivery of any consents, postponements, acknowledgments or any other documents that may be required from the Lender, whether from the Borrower and/or any governmental authorities and/or public/private utilities.

16.2 If any action or proceeding be commenced (except an action to foreclose this Charge or to collect the money that is secured hereby) in which the Lender becomes a party or participant by reason of being the holder of this Charge or the indebtedness secured hereby, all sums paid by the Lender for the expense of so becoming a party or participating (including all reasonable and properly chargeable legal costs) shall, on written notice, be paid by the Borrower, together with interest thereon at the Applicable Rate from the dates of payment of such sums by the Lender, and shall be a lien and charge on the Charged Premises, prior to any right or title to, interest in, or claim upon the Charged Premises subordinate to the lien and charge of this Charge, and shall be deemed to be secured by this Charge, and that in any action or proceeding to foreclose this Charge, or to recover or collect the indebtedness secured hereby, provisions of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

ARTICLE 17 - CONDEMNATION AWARDS

17.1 The Borrower shall notify the Lender promptly upon it being aware of any and all awards or payments ("Condemnation

Award(s)") including interest thereon, and the right to receive the same (save for any portion of any such Condemnation Award(s) paid for remedial purposes and which is actually used for such purpose) which may be made with respect to the Charged Premises, or any part thereof, as a result of:

(a) Any condemnation, eminent domain, compulsory acquisition, expropriation or like procedures ("Condemnation"), partial or complete, including any sidewalk or lane; or

(b) The imposition, and enforcement, of any restriction, regulation or condition to meet any building or development guideline for development or restriction of or by any municipality or other competent authority; or

(c) Any other material injury to or decrease in the value of the Charged Premises by any lawful regulation or any governmental authority having jurisdiction;

(any matter referred to in (a), (b) or (c) above being hereinafter called an "Incident of Expropriation") to the extent of all amounts which may be secured by this Charge at the date of receipt of any such Condemnation Award(s) by the Borrower. Notwithstanding the occurrence of any Incident of Expropriation, the Borrower shall continue to pay interest at the Applicable Rate on the Principal Sum. The Borrower does hereby charge, assign, set over and transfer to the Lender, any Condemnation Award(s) as security for the repayment of all Indebtedness.

17.2 Any Condemnation Award(s) received by the Lender shall be held by the Lender as part of the security for the Loan subject to application as provided in this Article 17. Pending such application, such amounts received shall be held and invested by the Lender, acting reasonably. If at any time an Event of Default has occurred and is continuing, the Lender may, at its option, apply such amounts in reduction of the amounts owing hereunder.

17.3 Notwithstanding the provisions of Sections 17.1 and 17.2, in the event that any Incident of Expropriation shall occur which, in the reasonable opinion of the Lender, would materially and adversely affect the security of the Charge or any other Security after the application of any Condemnation Award(s) pursuant to Section 17.1 hereof, the Lender may, at its option, declare such Incident of Expropriation to be an Event of Default and be entitled to exercise any and all rights and remedies available to it hereunder at law or in equity.

ARTICLE 18 - EVENTS OF DEFAULT

18.1 The whole of the Principal Sum together with interest thereon at the Applicable Rate, interest on overdue interest and any amounts payable pursuant to Article 6, and all other amounts secured hereby shall, at the option of the Lender, subject to Section 18.2 hereof, become due and payable and all powers conferred on the Lender herein and hereby shall become exercisable, in like manner to all intents and purposes as if the time herein mentioned for payment of such Principal monies had fully come and expired, if specifically provided for in this Charge, or if any of the following events shall occur (the occurrence of any such event together with the expiry of the applicable cure period, if any, and any other occurrence specifically provided for herein as an Event of Default being collectively referred to as an "Event of Default"):

(a) Upon default in payment of any regularly scheduled instalment of principal and/or interest beyond the date such payment is due and payable; or

(b) Upon default in payment of the Indebtedness due and owing on the Maturity Date; or

(c) Upon default in payment of any Indebtedness (other than an instalment of principal and/or interest and upon maturity) due hereunder within five (5) Business Days after written notice thereof is provided by the Lender; or

(d) Save as otherwise provided for in subparagraphs (a), (b) and (c) hereof or otherwise specifically provided herein, upon any default in the performance of any covenant or obligation of the Borrower hereunder within fifteen (15) days after written notice thereof is provided by the Lender, provided that if such default is curable and the nature of such default is such that the exercise of reasonable diligence of more than fifteen (15) days is required to cure such default, and if such default in the Lender's reasonable discretion does not jeopardize or adversely effect the security interest of the Lender hereunder or adversely affect the Borrower or its ability to perform its obligations hereunder or under the Security or adversely affect the Charged Premises, the Lender will not, for a further sixty (60) days so long as no other Event of Default has occurred, enforce its remedies in respect of such default while and so long as during such time the Borrower is actively continuing to diligently and in good faith cure such default; or

(e) If at any time during the Term there is a breach of any representation or warranty contained herein or at any time during the Term if any representation or warranty contained herein is no longer true or accurate or becomes untrue or inaccurate for any reason and provided the same can be rectified, and the same is not rectified within thirty (30) days after written notice thereof is provided by the Lender; or

(f) Upon the assignment by the Borrower to any other party of the whole or a part of the rents, income or profits arising from the Charged Premises, without the written consent of the Lender; or

(g) The occurrence of an Event of Insolvency; or

(h) If without the prior written consent of the Lender, in its sole and absolute discretion:

    (i) the Borrower transfers, sells, conveys, or otherwise disposes of all or any part of the Charged Premises, or any interest therein (other than by way of Leases), whether legal or beneficial or enters into any transaction or series of transactions where all or any part of the Charged Premises becomes the property of another person, whether through reorganization, amalgamation, merger, consolidation or otherwise, or if there is any change in the legal or beneficial interest, in whole or in part, of the Charged Premises; or

(i) If, without the prior written consent of the Lender, in its sole and absolute discretion:

(i) there is any change in the Borrower's corporate control or change in the Borrower's effective control existing as of the date of this Charge; or

(ii) the Borrower creates, permits or suffers to exist any mortgage, pledge, charge, loan, assignment, hypothecation, security interest or other encumbrance attaching the Charged Premises other than this Charge, the Security and the Permitted Encumbrances; or

(j) Upon default by or non-compliance of the Borrower or any Guarantor(s), or any others bound by or acknowledging to be bound by the terms of this Charge, with respect to any of the provisions of the Security, this Charge or the Permitted Encumbrances; or

(k) If the Charged Premises are abandoned; or

(l) Failure by the Borrower to fulfil, complete or comply with any undertakings delivered by the Borrower to Lender in connection with the Loan in accordance with the terms of such undertakings; or

(m) Upon any breach, default, non-observance occurring or being alleged, charged or claimed against the Borrower as lessor under any lease or as sublessor under any sublease of the Charged Premises and the Borrower is not diligently proceeding to rectify any such breach, default, non-observance or non-performance or defend any allegations, charges or claims of the same; or

(n) If this Charge, or any of the Security, shall fail to constitute a legal, valid, binding and enforceable first charge, first assignment or first security interest, each enforceable in accordance with its terms, subject only to Permitted Encumbrances; or

(o) If in the reasonable opinion of the Lender there occurs an event which has a material adverse effect on the financial condition or operation of the Borrower, the Charged Premises, this Charge, the Security or the ability of the Borrower to pay the Indebtedness or to perform its obligations hereunder or under the Security and which cannot be rectified by the Borrower within a reasonable period of time.

18.2 Save as otherwise specifically provided, an Event of Default hereunder or under any Security shall not have occurred or be deemed to have occurred until the expiration of any applicable notice period, if any, called for in this Charge or in such Security within which the Borrower may remedy such default. In any event, if in the opinion of the Lender, an event has occurred which with the passing of time, the giving of notice or otherwise would constitute an Event of Default and as a result of which the Charged Premises or the property assets and undertaking subject to the Security is materially at risk, the Lender may take such action or exercise such remedies as may be appropriate without notice to the Borrower or the expiry of any cure period.

ARTICLE 19 - REMEDIES

19.1 If an Event of Default has occurred hereunder and is continuing (or if the Lender exercises its rights pursuant to Section 18.2 hereof before the occurrence of an Event of Default), then at any time thereafter, but subject always to the waiver thereof by the Lender, the Lender may:

(a) Declare the Indebtedness to be immediately due and payable and proceed to exercise any and all rights hereunder or under the Security or any other rights available to it under any other document or instrument or at law or in equity including without limitation, the drawdown of any letter of credit held by the Lender;

(b) Commence legal action to enforce payment of the Indebtedness or performance of the obligations by the Borrower to the Lender;

(c) At the expense of the Borrower, when and to such extent as the Lender deems advisable, observe and perform or cause to be observed and performed any covenant, agreement, proviso or stipulation contained herein or in the Security, and the reasonable cost thereof with interest thereon at the Applicable Rate until paid, shall immediately become due from the Borrower to the Lender after demand by the Lender upon the Borrower therefor;

(d) Pay or discharge any mortgage, encumbrance, lien, adverse claim or charge that may exist or be threatened against the Charged Premises; in any such case, the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Principal outstanding and shall bear interest at the Applicable Rate;

(e) Send or employ any inspector or agent to inspect and report upon the value, state and condition of the Charged Premises and may employ a lawyer to examine and report upon the title to the same;

(f) Immediately take possession of all of the Charged Premises or any part or parts thereof by action or otherwise, with power, among other things, to exclude the Borrower, to enforce the Borrower's rights, to preserve and maintain the Charged Premises, to repair, alter or extend the Charged Premises, to lease the Charged Premises, to complete construction and development of the Charged Premises, to operate and manage the Charged Premises and to collect or receive rents, income and profits of all kinds (including taking proceedings in the name of the Borrower for that purpose) and pay therefrom all reasonable expenses and charges of maintaining, preserving, protecting and operating the Charged Premises (payment of which may be necessary to preserve or protect the Charged Premises), and to enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including without limitation, power to advance its own moneys and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof, and all sums advanced or expended shall be added to the Principal outstanding and shall bear interest at the Applicable Rate;

(g) On default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice, sell and dispose in the Charged Premises with or without entering into possession of the same and with notice to such persons and in such manner and form and within such terms as provided under Part III of the *Mortgages Act* (Ontario), as amended; and all remedies available may be resorted to and all rights, powers and privileges granted or conferred upon the Lender under and by virtue of any statute or by this Charge may be exercised and no want of notice or publication or any other defect, impropriety or irregularity shall invalidate any sale made or purporting to be made in the Charged Premises; and the Lender may sell, transfer and convey any part of the Charged Premises on such terms, including on credit for all or part of the consideration, (provided the Borrower shall not be accountable for any default in respect of the credit), secured by contract or agreement for sale, or charge, or otherwise, as shall appear to the Lender most advantageous and for such prices as can reasonably be obtained therefor in the circumstances; and in the event of sale on credit or part cash and part credit, whether by way of contract for sale or by conveyance or transfer, charge, or otherwise, the Lender is not to be accountable for or charged with any monies until the same shall be actually received in cash or received by a take-back charge; and sales may be made from time to time of parts of the Charged Premises to satisfy interest and leaving the Principal or part thereof to run with interest at the Applicable Rate; and the Lender may make any stipulations as to title or evidences or commencement of title or otherwise as the Lender shall deem proper and may buy or rescind or vary any contract for sale; and on any sale or resale, the Lender shall not be answerable for loss occasioned thereby; and for any of such purposes the Lender may make and execute all arrangements and assurances that the Lender shall deem advisable or necessary;

(h) With respect to the Leases:

(i) to demand, collect and receive the Rents or any part thereof and to give acquittances therefor, and to take from time to time, in the name of the Borrower, any proceeding which may be, in the opinion of the Lender or its counsel, expedient for the purpose of collecting the Rents or for securing the payment thereof or for enforcing any of the Borrower's rights under the Leases;

(ii) to compound, compromise or submit to arbitration any dispute which has arisen or may arise in respect to any amount of Rent and any settlement arrived at shall be binding upon the Borrower;

(iii) to enter upon the Lands by its officers, agents or employees for the purpose of collecting the Rents; (iv) to receive, enjoy or otherwise avail itself of the Lease Rights; and

(v) on behalf of the Borrower to alter, modify, amend or change the terms of Leases; to terminate Leases, to enter into new Leases; to give consents, concessions or waivers of any rights or provisions of Leases; to accept surrenders of Leases; to give consents to assignment of or subletting under Leases;

(i) With or without taking possession of all or any part of the Charged Premises, sell, lease or otherwise dispose of the whole or any part of the Charged Premises, as agent for the Borrower and not the Lender, and in exercising the foregoing power, the Lender may, in its absolute discretion:

(i) sell, lease or otherwise dispose of the whole or any part of the Charged Premises by public auction, public tender with notice, or by private contract (in the name of or on behalf of the Borrower) or otherwise, with such notice, advertisement or other formality as is required by law;

(ii) make and deliver to the purchaser good and sufficient deeds, assurances and conveyances of the Charged Premises and give receipts for the purchase money, and any such sale once effected shall be a perpetual bar, both at law and in equity, to the Borrower and all those claiming an interest in the Charged Premises by, from, through or under the Borrower making any claim against the purchaser of the Charged Premises;

(iii) grant, rescind, vary or complete any contract for sale, lease or options to purchase or lease, or rights of first refusal to purchase or lease the whole or any part of the Charged Premises, for cash or for credit, with or without security being given therefor, and on terms as shall appear to be most advantageous to the Lender (including a term that a commission be payable to the Lender or a related corporation in respect thereof) and if a sale is on credit, the Lender shall not be accountable for any moneys until actually received;

(iv) make any stipulation as to title or conveyance or commencement of title;

(v) re-sell or re-lease the Charged Premises or any part thereof without being answerable for any loss occasioned thereby; and

(vi) make any arrangements or compromises which the Lender shall think expedient in the interest of the Lender and to assent to any modification of this Charge, and to exchange any part or parts of the Charged Premises for any other property suitable for the purposes of the Lender on such terms as the Lender considers expedient, either with or without payment of money for equality or exchange or otherwise;

(j) Take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Charged Premises;

(k) To borrow or raise money on the security of the Charged Premises or any part thereof in priority to this Charge or otherwise, for the purpose of the maintenance, preservation or protection of the Charged Premises or any part thereof or for carrying on all or any part of the business of the Borrower relating to the Charged Premises;

(l) Take proceedings in any court of competent jurisdiction for the appointment of a receiver (which term as used in this Charge includes a manager and a receiver and manager, and hereafter, the "Receiver") of all or any part of the Charged Premises;

(m) By instrument in writing appoint, with or without taking possession, any person to be a Receiver of the Charged Premises or of any part thereof and may remove any Receiver so appointed and appoint another in his stead, with all fees and costs related thereto being the Borrower's obligations; and the following shall apply in respect of any such Receiver so appointed:

(i) the Lender may from time to time fix the remuneration of the Receiver who shall be entitled to deduct that same out of the revenue from the Charged Premises or the proceeds thereof;

(ii) the Receiver shall, to the fullest extent permitted by law, be deemed the agent or attorney of the Borrower for all purposes and the Lender shall not be in any way responsible for any actions other than as caused by gross negligence, willful misconduct or fraud, of any Receiver, and the Borrower hereby agrees to indemnify and save harmless the Lender from and against any and all claims, demands, actions, costs, damages, expenses or payments which the Lender may hereafter suffer, incur or be required to pay as a result, in whole of in part, of any action taken by the Receiver or any failure of the Receiver to do any act or thing other than as are caused by gross negligence, willful misconduct or fraud;

(iii) the appointment of the Receiver by the Lender shall not incur or create any liability on the part of the Lender to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of the Receiver or the termination of any such Receivership shall not have the effect of constituting the Lender a mortgagee in possession in respect of the Lands or any part thereof;

(iv) the Receiver may exercise or pursue any other remedy or proceeding which the Lender is entitled as the holder of the Charge authorized or permitted hereby or by law or in equity in order to enforce the security constituted by this Charge;

(v) and for the purposes above, the Borrower hereby irrevocably empowers the Receiver so appointed as its attorney to execute deeds, transfers, leases, contracts, agreements or other documents on its behalf and in its place (and the same shall bind the Borrower and have the same effect as if such deeds were executed by the Borrower) and to affix the Borrower's seal, if necessary, or a duplicate thereof to any of the same. On its own account or through a Receiver and whether alone or in conjunction with the exercise of all or any other remedies contemplated hereby, shall have the right, at any time, to notify and direct any account debtor to make all payments whatsoever to the Lender and the Lender shall have the right, at any time, to hold all amounts received from any account debtor and any proceeds as part of the Secured Property; any payments received by the Borrower from and after the security hereby constituted becomes enforceable, shall be held by the Borrower in trust for the Lender in the same medium in which received, shall not be commingled with any assets of the Borrower and shall, at the request of the Lender, be turned over to the Lender not later than the next Business Day following the day of their receipt; and

(vi) save as to claims for accounting under paragraph (o) below, the Borrower hereby releases and discharges the Lender and the Receiver from every claim of every nature, whether resulting in damages or not, which may arise or be caused to the Borrower by reason or as a result of anything done by the Lender or any successor or assign claiming through or under the Lender or the Receiver under the provisions of this paragraph unless such claim be the direct result of dishonesty or gross neglect;

(n) The Lender may at any time and from time to time terminate any receivership by notice in writing to the Borrower and to the Receiver;

(o) The Receiver shall account for all monies received in respect of the Charged Premises or any part thereof, and shall pay, out of such monies received, subject to the further direction of the Lender in its discretion, the following in the order specified:

(i) the Receiver's remuneration;

(ii) all payments reasonably made or incurred by the Receiver in connection with its receivership;

(iii) 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 Charge, and all Bills, Taxes, insurance premiums and every other proper expenditure reasonably made or incurred by the Receiver in respect to the Charged Premises or any part thereof; and

(iv) all payments to the Lender of all interest due or falling due hereunder and the balance to be applied upon Principal due and payable and secured hereby;

and thereafter any surplus remaining in the hands of the Receiver after payments made as aforesaid shall be accountable to the Borrower or other persons entitled thereto; and

(p) On its own account or through a Receiver and whether alone or in conjunction with the exercise of all or any other remedies contemplated hereby, shall have the right, at any time, to notify and direct any account debtor to make all payments whatsoever to the Lender and the Lender shall have the right, at any time, to hold all amounts received from any account debtor and any proceeds thereof as security for the Indebtedness; any payments received by the Borrower from and after the security hereby constituted becomes enforceable, shall be held by the Borrower in trust for the Lender in the same medium in which received, shall not be commingled with any assets of the Borrower and shall, at the request of the Lender, be turned over to the Lender not later than the next Business Day following the day of their receipt.

ARTICLE 20 - DEFAULT UNDER SECURITY, PARAMOUNTCY DISCHARGE AND RENEWAL

20.1 Payments of principal and/or interest made under and pursuant to the terms of the Security shall constitute payment hereunder and vice versa and default in the payment of principal and/or interest under the Security shall constitute default hereunder and vice versa. Default in compliance with any of the conditions, covenants, undertakings, provisions and stipulations contained in the Security shall entitle the Lender to exercise all or any of the rights or remedies provided herein and the occurrence of and Event of Default hereunder or in compliance with any of the conditions, covenants, undertakings, provisions and stipulations contained herein shall entitle the Lender to exercise all or any of the rights or remedies provided in the Security. The occurrence of an Event of Default hereunder shall constitute an Event of Default under the Security and vice versa.

20.2 The cancellation of or any other dealing with any Security (other than foreclosure thereof) shall not release or affect this Charge, and the taking of this Charge, or the cancellation of or any other dealing with, or proceeding under (other than foreclosure hereunder), this Charge, shall not release or affect any Security:

(a) The Lender may at any time and from time to time release any part or parts of the Charged Premises or any other Security or any surety for payment of all or any part of the monies hereby secured or may release the Borrower or any other person from any covenant or other liability to pay the Principal Sum and interest and all other monies secured hereby, or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Lender, and without thereby releasing any other part of the Charged Premises, or any other Security or covenants herein contained, it being especially agreed that notwithstanding any such release, the Charged Premises, the Security and the covenants remaining unreleased shall stand charged with the whole of the monies hereby secured;

(b) In the event that the monies advanced hereunder are applied to payment of any charge or encumbrance, the Lender shall be subrogated to all the rights of and stand in the position of and be entitled to all the equities of the party or parties so paid whether such charge or encumbrance has or has not been discharged; and the decision of the Lender as to the validity or amount of any advance or disbursement made under this Charge or of any claims so paid, shall be final and binding on the Borrower; and

(c) The Lender shall not be charged with any monies receivable or collectible out of the Charged Premises or otherwise, except those actually received by or on behalf of the Lender and all revenue of the Charged Premises received or collected by the Lender from any source other than payment by the Borrower may, at the option of the Lender, be retained in a separate account to be used in, maintaining, insuring or improving the Charged Premises to the extent required for such purpose, in the opinion of the Lender, acting reasonably, or in payment of Taxes or other liens, charges or encumbrances against the Charged Premises, or applied in reduction of the amounts owing hereunder.

20.3 Subject to Section 6.1 hereof, upon payment of all amounts secured by this Charge, the Borrower shall be entitled to receive and the Lender shall provide a discharge of this Charge and the Security within a reasonable period of time after the request therefor. The Lender shall have a reasonable time after such payment within which to prepare and execute such discharge and all reasonable legal and other expenses for the preparation, execution and registration of such discharge and/or documents, as the case may be, shall be borne by the Borrower.

20.4 All payments made pursuant to Section 20.3 shall be made to and received by the Lender prior to 1:00 p.m. on the date due or the next succeeding Business Day in the event the date due is not a Business Day; provided such extension of time shall be included for the purposes of computation of interest.

ARTICLE 21 - NO MERGER OR WAIVER OF LENDER'S RIGHTS

21.1 It is further understood and agreed that this Charge and the Security shall stand as a continuing security for repayment of the Loan, including, all advances made thereunder together with all interest, damages, costs, charges and expenses which may become due and payable to the Lender in respect of or in connection with the Loan or any portion thereof, notwithstanding any fluctuation or change in the amount, nature or form of the Loan or in the obligations now or hereafter representing the Loan or any portion thereof or in the names of the obligors or any of them.

21.2 The rights of the Lender arising under this Charge shall be separate, distinct and cumulative and, except as expressly provided herein, none of them shall be in exclusion of the other and no act of the Lender shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision, anything herein or otherwise to the contrary notwithstanding.

21.3 The giving and taking of this Charge shall in no way merge, waive, prejudice, suspend or affect any of the rights or remedies of the Lender under any Security which may be given or which may have been or may hereafter be given in respect of the Principal Sum hereof, interest and other monies secured by this Charge, or any part thereof, or under the Security and all rights and remedies which the Lender now has or may hereafter have against any one or more persons, are hereby preserved.

21.4 The taking of a judgment or judgments under any of the covenants or obligations herein or under any Security shall not operate as a merger of the covenants of the Borrower or affect the Lender's right to interest at the Applicable Rate on any monies due or owing to the Lender during the continuance of this Charge, under any of the covenants herein contained or on any judgment to be recovered thereon.

21.5 The covenant of the Borrower to pay interest shall not merge in any judgment in respect of any covenant or obligation of the Borrower under this Charge or any Security and such judgment shall bear interest at the Applicable Rate until such judgment and all interest thereon have been paid in full.

21.6 Any waiver by the Lender of any default by the Borrower or any omission on the Lender's part in respect of any default by the Borrower shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Borrower or the rights resulting therefrom.

21.7 No extension of time given by the Lender to the Borrower or anyone claiming under the Borrower, shall in any way affect or prejudice the rights of the Lender against the Borrower or any person liable for payment of the monies hereby secured.

ARTICLE 22 - FINANCIAL DATA

22.1 The Borrower shall provide or cause to be provided promptly to the Lender full and complete information about the financial condition and operations of the Charged Premises, including a comprehensive rent roll of all space in the Charged Premises, about the financial condition of the Borrower and any Guarantor(s) and such other information which the Lender may reasonably require from time to time, and the Lender shall have the right to examine the books and records of the Borrower relating to the Charged Premises at reasonable times and upon reasonable prior notice.

22.2 Without limiting the foregoing, the Borrower covenants and agrees to provide or cause to be provided to the Lender audited financial statements together with operating statements pertaining to the Charged Premises and such other financial information the Lender may reasonably require, (a) in the case of audited financial statements, within ninety (90) days of the end of each fiscal year of the Borrower (or such other time as may reasonably be required by the Lender), and (b) with respect to operating statements for the Charged Premises, within thirty (30) days of the end of each quarter of each calendar year. The audited financial statements are to be prepared by a nationally recognized firm of chartered accountants and shall include a balance sheet, and a detailed statement of income and expenditures and supporting notes and schedules. The operating statements shall contain a certificate by a senior officer of the Borrower as to the contents and preparation thereof, and shall include detailed statements of income, expenditures results of operation and such other matters relating to the operation of the Charged Premises as the Lender may reasonably require. In the event applicable, the Borrower shall provide the Lender with copies of all proxy statements, reports and information circulars that the Borrower makes available to its shareholders and copies of all regular and periodic reports which the Borrower may file with any securities commission or any other Governmental Authority.

22.3 The Borrower shall provide or cause to be provided to the Lender, or as the Lender may direct, a comprehensive list of all current tenants and rentals of space in the Charged Premises during the Term, which list shall disclose, without limitation, the name of each tenant, the duration of its term, renewal options, if any, and the term thereof, the rental being paid, the last date on which rental was paid and whether such tenancy is in good standing. Such list shall contain an endorsement by an officer of the Borrower as to being complete and accurate.

22.4 All statements, reports and other documents required to be provided hereunder shall be prepared in a manner acceptable to the Lender, in its reasonable discretion.

ARTICLE 23 - NOTICE

23.1 Unless otherwise provided herein, any demand, notice or communication given or required to be given to a party hereunder shall be in writing and shall be personally delivered or given by transmittal by telecopy or facsimile transmission addressed to the respective parties at its address or telecopy or facsimile number set forth below or to such other address or telecopy or facsimile number as such party may designate by notice in writing to the other party hereto:

(a) If to the Borrower, at the address for service set out in the electronic Charge to which this schedule is attached; and

(b) If to the Lender, at the address for service set out in the electronic Charge to which this schedule is attached.

Any demand, notice or communication made by or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, and, if made or given by telecopy or by facsimile, on the first day other than a Saturday, Sunday or a statutory holiday in Ontario, on which Schedule I banks are open for commercial business in Toronto, Ontario, following the transmittal thereof.

ARTICLE 24 - GENERAL

24.1 If any provision of this Charge or the application thereof to any circumstances shall be held to be invalid or unenforceable, it shall be deemed severed herefrom and the remaining provisions of this Charge, or the application thereof to other circumstances, shall not be affected thereby and shall be held valid and enforceable to the full extent permitted by law. In particular, and without limiting the generality of the foregoing, to the extent any and all amounts due pursuant to Article 6 hereof may be deemed to be in excess of what is permissible by law, any such excess shall be deemed not to be due under this Charge.

24.2 Wherever used in this Charge, unless the context clearly indicates a contrary intent as unless or otherwise specifically provided herein, the word "Borrower" shall mean "Borrower and/or subsequent owner or owners of the Charged Premises", the word "Lender" shall mean "Lender or any subsequent holder or holders of this Charge".

24.3 The descriptive headings of the several subparagraphs or paragraphs or sections or articles of this Charge are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

24.4 Wherever the singular number or masculine gender is used in this Charge, the same shall be construed as including the plural and feminine or a body corporate, respectively, and vice versa, where the fact or context so requires; and the successors and assigns of any party executing this Charge are bound by the covenants, agreements stipulations and provisos herein contained. The covenants, agreements stipulations and provisos herein stated shall, except as otherwise limited hereby, be in addition to those granted or implied by statutory law.

24.5 This Charge shall be construed and enforceable under and in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the Borrower hereby irrevocably attorns to the non-exclusive jurisdiction of the courts sitting at Toronto, Ontario.

24.6 The Borrower shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Lender may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Charge and the priority accorded to them by law or under this Charge.

24.7 If any of the forms of words contained herein are also contained in Column 1 of Schedule "B" of the Short Forms of Mortgages Act (Ontario) and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column 2 of Schedule "B" of the said Act distinguished by the same number, and this Charge shall be interpreted as if the *Short Forms of Mortgages Act* (Ontario) were still in full force and effect. The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) shall be and are hereby expressly excluded from the terms of this Charge.

24.8 This Charge shall, whether or not it secures a current or running account, be a general and continuing security to the Lender for payment of the indebtedness in an amount not exceeding the amount secured by this Charge and performance of the Borrower's other obligations under the Charge notwithstanding any fluctuation or change in the amount, nature or form of the indebtedness or in the accounts relating thereto or in the bills of exchange, promissory notes and/or other obligations now or later held by the Lender representing all or any part of the indebtedness outstanding at any particular time; and the Charge will not be deemed to have been redeemed or become void as a result of any such event or circumstance.

24.9 This Charge is given as collateral security to the Commitment.

24.10 Notwithstanding any terms contained in the Commitment to the contrary, in the event of conflict between the Commitment and the terms of this Charge, the provisions of the Commitment shall prevail; provided that any provision herein contained that is not contained in the Commitment and vice versa shall not in and of itself be considered to be inconsistent or in conflict.

ARTICLE 25 – CONDOMINIUM PROVISIONS

25.1 The Borrower covenants and agrees that in the event that the security for the within Charge shall be or shall become a condominium unit(s) the following provisions shall apply.

(i) the Borrower does hereby assign to the Lender all of its rights to vote or consent in the affairs of the Condominium Corporation having jurisdiction over the subject lands and the Lender, may at its option, exercise the right of an owner of a condominium unit to vote or consent in the affairs of the Condominium Corporation in the place and stead of such owner, without in any way consulting the owner as to the manner in which the vote shall be exercised or not exercised, and without incurring any liability to the owner or anyone else because of the manner in which such vote or right to consent in the affairs of the Condominium Corporation was exercised.

(ii) the Borrower shall pay promptly, when due, any common expenses, assessments, instalments or payments due to the Condominium Corporation.

(iii) the Borrower shall observe and perform the covenants and provisions required to be observed and performed under or pursuant to the provisions of the *Condominium Act* (Ontario), all amendments thereto, and any legislation passed in substitution thereof, and the declaration and by-laws of the Condominium Corporation and any amendments thereto.

(iv) Where the Borrower defaults in the Borrower's obligation to contribute to the common expenses assessed or levied by the Condominium Corporation, or any authorized agent on its behalf, or any assessment, instalment of payment due to the Condominium Corporation, upon breach of any of the foregoing covenants or provisions in this paragraph contained, regardless of any other action or proceeding taken, or to be taken by the Condominium Corporation, the Lender, at its option and without notice to the Borrower, may deem such default to be a default under the terms of this Charge and proceed to exercise its rights therein and the Lender shall be entitled at its option to pay all common expense amounts as they come due and these amounts so paid together with legal fees shall form part of the Indebtedness.

ARTICLE 26 – CONSTRUCTION LOAN PROVISIONS

In the event that any of the monies advanced or to be advanced under this Charge are intended to finance any improvement to the Charged Premises, the parties hereto covenant and agree that the following conditions shall apply:

26.1 All construction on the Charged Premises shall be carried out by reputable contractors having experience which is commensurate to nature and size of the project to be constructed, which contractors must be prior approved by the Lender in writing, such approval not to be unreasonably withheld.

26. 2 The construction of the building and structures located on the Charged Premises have been commenced and shall be continued in a good and workmanlike manner, with all due diligence and in accordance with the plans and specifications delivered to the Lender and to the satisfaction of all governmental and regulatory authorities having jurisdiction.

26.3 Provided that should construction of the project on the Charged Premises cease for any reason whatsoever (strikes, material shortages and weather conditions beyond the control of the Borrower excepted), for a period of ten (10) consecutive days (Saturdays, Sundays and Statutory holidays excepted), then, at the option of the Lender, this Charge shall immediately become due and payable. In the event that construction does cease, then the Lender shall have the right, at its sole option, to assume complete control of the construction of the said project in such manner and on such terms as it deems advisable. The cost of completion of the said project by the Lender and all expenses incidental thereto shall be added to the principal amount of this Charge, together with a management fee of fifteen percent (15%) of the costs of the construction completed by the Lender. All costs and expenses, as well as the management fee of fifteen percent (15%) added to the principal amount of this Charge shall bear interest at the rate as herein provided for and shall form part of the principal sum herein and the Lender shall have the same rights and remedies to collection of principal and interest hereunder or at law.

26.4 At all times there shall be sufficient funds unadvanced under this Charge and retained by the Lender to complete the construction and/or renovation of the project on the Charged Premises and as may be necessary to retain the Lender's priority with respect to any deficiency in the holdbacks required to be retained by the Borrower under the *Construction Act* (Ontario).

26.5 This Charge will be advanced in stages as construction upon the Charged Premises proceeds or as the conditions as enumerated by the Commitment are complied with.

26.6 All advances which are made from time to time hereunder shall be based on certificates of a duly qualified architect, engineer, quantity surveyor, cost consultant or other consultant(s) retained for the purpose of reviewing and advising the Lender with respect to the said project and the progress thereof, whose fees and costs shall be for the account of the Borrower regardless of by whom such person has been retained. All such certificates shall without limitation certify the value of the work completed and the estimated costs of any uncompleted work and such certificates shall further certify that such completed construction and/or renovation to the date of such certificate shall be in accordance with the approved plans and specifications for the said construction and further, in accordance with the building permits issued for such construction and in accordance with all municipal and other governmental requirements of all authorities having jurisdiction pertaining to such construction and that there shall be no outstanding work orders or other requirements pertaining to construction on the Charged Premises. Such certificates with respect to any values shall not include materials on the site which are not incorporated into the building.

26.7 The Borrower shall pay to the Lender on each occasion when an inspection of the Charged Premises is required to confirm construction costs to date and compliance with conditions for further advances, an inspection fee in such reasonable amount as the Lender may charge from time to time for each such inspection and the Lender's solicitors shall be paid their reasonable fees and disbursements for each sub-search and work done prior to each such advance and all such monies shall be deemed to be secured hereunder and the Lender shall be entitled to all rights and remedies with respect to collection of same in the same manner as it would have with respect to collection of principal and interest hereunder or at law.

26.8 The Borrower agrees to indemnify and hold the Lender harmless from any and all claims, demands, sums of money, debts, covenants, bonds, accounts, actions, causes of action, rights, obligations and liability of every kind whatsoever which arise out of claims against the property under the *Construction Act* (Ontario) and that any liens for work and/or supplies that are registered against the Borrower's interest in the property will be promptly discharged within seven (7) days from the date of registration of the lien. The Lender may, but is not required to, deal with the lien claimant and pay the lien claim into court pursuant to the provision of the *Construction Act* (Ontario) for the purpose of vacating the lien from title to the property. The Borrower agrees to be liable for all costs, claims, amounts and fees including, without limitation, all legal fees (on a solicitor and his client basis) incurred by the Lender arising from or in connection with the Borrower or the Lender obtaining and registering either a release of the lien or an order vacating the lien.

ARTICLE 27 - ASSIGNMENT AND SALE

27.1 The Loan and all other amounts secured hereby, this Charge, the Security and all documents ancillary or collateral thereto may, in the Lender's sole discretion and without the consent of the Borrower, in whole or in part, be participated, sold, securitized, syndicated or assigned by the Lender from time to time to one or more Persons.

27.2 The Lender may disclose to participants, transferees or assignees or to potential participants, transferees or assignees or others in connection with any sale, assignment, participation, securitization, transfer or syndication, such information concerning the Borrower or the Charged Premises as the Lender may consider to be appropriate in connection therewith.

27.3 No grant, assignment or transfer pursuant to this Article 27 shall constitute a repayment by the Borrower to the Lender of the Loan or any other amounts owing hereunder and included in such assignment or transfer and the Borrower acknowledges that all obligations under this Charge and the Security with respect to such assignment or transfer will continue and not constitute new obligations.

27.4 The Borrower agrees to be bound by and do all things necessary or appropriate to assist and give effect to any transfer, participation, securitization, sale, syndication or assignment, but shall incur no increased liabilities as a result thereof.

This is Exhibit "**H**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Properties

PIN	03052 - 2361 LT
Description	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM
Address	MARKHAM

Source Instruments

Registration No.	*Date*	*Type of Instrument*
YR3608774	2023 10 17	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name	ROMANDALE FARMS LIMITED
Address for Service	212 King Street West, Suite 204 Toronto, ON M5H 1K5

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

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

Transferee(s) *Capacity* *Share*

Name	AFC MORTGAGE ADMINISTRATION INC.
Address for Service	2010 Winston Park Drive, 2nd Fl. Oakville, ON L6H 6P5
Name	BREXIT HOLDINGS INC.
Address for Service	105B Winges Road Woodbridge, ON L4L 6C2

Statements

The chargee transfers the selected charge for $1.00 and other good and valuable consideration

Schedule: See Schedules

This document relates to registration number(s)YR3608774

Signed By

Perry Cheung	1000-120 Adelaide St. W. Toronto M5H 3V1	acting for Transferor(s)	Signed	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

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

Perry Cheung	1000-120 Adelaide St. W. Toronto M5H 3V1	acting for Transferee(s)	Signed	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

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

Submitted By

Schneider Ruggiero Spencer Milburn LLP	1000-120 Adelaide St. W. Toronto M5H 3V1	2023 10 17

Tel 416-363-2211

Fax 416-363-0645

Fees/Taxes/Payment

Statutory Registration Fee	$69.00
Total Paid	$69.00

File Number

Transferee Client File Number : 43464

ASSIGNMENT OF CC2 SECURITY

(the “**Agreement**”)

THIS AGREEMENT made as of the 17th day of October, 2023

BETWEEN:

ROMANDALE FARMS LIMITED (the “**Assignor**”)

- and -

AFC MORTGAGE ADMINISTRATION INC. (“AFC”)

- and -

BREXIT HOLDINGS INC. (“Brexit”)

-and-

KING DAVID INC. (the “**Chargor**”)

RECITALS:

A. By a commitment letter dated July 26, 2023 (the “**Commitment Letter**”) made between AFC and Brexit (collectively, the “**Assignee**”), as lender and Assignor, as borrower (the “**Borrower**”), the Assignee agreed to grant a loan to the Borrower securing the principal sum of $35,000,000.00 (the “**Loan**”).

B. The Assignor received a Charge/Mortgage in the amount of $3,500,000 from the Chargor, which mortgage is secured by the property municipally known as Cathedraltown Courtyard 2, Markham, Ontario [PIN 03052-2361] (the “**CC2 Property**”) and which mortgage was registered on title to the CC2 Property on October 17, 2023 as Instrument No. YR3608774 (the “**CC2 Mortgage**”).

C. The Chargor has guaranteed the obligations of the Assignor as set forth in the Commitment Letter.

D. Pursuant to the terms of the Commitment Letter, the Assignor has agreed to assign to the Assignee, all of its right, title, interest, benefit and estate in the CC2 Mortgage (the “**Security**”).

TERMS OF AGREEMENT:

1. From and after the date hereof, the Assignor hereby conveys, grants, transfers, assigns and sets over to the Assignee, its successors and assigns, all of the Assignor's right, title, interest, benefit and estate in and to the Security and all other rights, benefits and advantages whatsoever to be derived therefrom, which assignment is given as security for the payment of all amounts that may be owing

by the Assignor to the Assignee pursuant to the Mortgage. The security hereby constituted is in addition to and not in substitution for any other security now or hereafter held by Assignee. It is acknowledged however that the debt secured by the CC2 Mortgage is not hereby assigned by Assignor to Assignee, and remains with Assignor. This assigned security shall be deemed to be collateral security for the performance of the obligations and the payment of the indebtedness owing under the Mortgage, and shall remain as a continuing security in favour of the Assignee until the earlier of: (i) all obligations have been repaid or performed under the Mortgage in full, or (ii) King David Inc. repays the CC2 Mortgage; whereupon the Assignee shall re-assign its interest in the CC2 Mortgage to the Assignor.

2. The parties hereto acknowledge and agree that the Assignor's failure to satisfy its obligations to the Assignee under the Commitment Letter or any loan security documents delivered in connection therewith shall entitle the Assignee to enforce the Security, which may include transferring, selling or otherwise dealing with the assigned CC2 Mortgage or the CC2 Property, in its sole and absolute discretion.

3. The Assignee hereby accepts the assignment herein.

4. The Assignor shall from time to time at the request and cost of the Assignee execute and deliver to the Assignee such further assurances as may be reasonably required by the Assignee for the better assigning to the Assignee the Security.

5. The Assignor will and does hereby indemnify and save harmless the Assignee from all actions, suits, costs, losses, charges, demands and expenses for and in respect of any breach, non-observance or non-performance by the Assignor of the terms, covenants and conditions contained in the Security to be observed or performed by the Assignor thereunder in respect of the period prior to the date first above written.

6. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

7. This Agreement may be executed in counterparts and by PDF or other form of electronic transmission reproducing an original, each of which will be deemed to be an original and which together will constitute one and the same instrument.

[signing page follows]

DATED this 17 day of October, 2023.

ROMANDALE FARMS LIMITED

H Roman-Barber

Name: Helen Roman-Barber
Title: President
I have authority to bind the corporation.

AFC MORTGAGE ADMINISTRATION INC.

Name: Adit Kumar
Title: A.S.O.
I have authority to bind the corporation.

BREXIT HOLDINGS INC.

Name: Matthew Castelli
Title: A.S.O.
I have authority to bind the corporation.

KING DAVID INC.

H Roman-Barber

Name: Helen Roman-Barber
Title: President
I have authority to bind the corporation.

DATED this 17 day of October, 2023.

ROMANDALE FARMS LIMITED

Name: Helen Roman-Barber
Title: President
I have authority to bind the corporation.

AFC MORTGAGE ADMINISTRATION INC.

DocuSigned by:
Adit Kumar
2B951D8E6B83400...

Name: Adit Kumar
Title: A.S.O.
I have authority to bind the corporation.

BREXIT HOLDINGS INC.

DocuSigned by:
12942C315774413...

Name: Matthew Castelli
Title: A.S.O.
I have authority to bind the corporation.

KING DAVID INC.

Name: Helen Roman-Barber
Title: President
I have authority to bind the corporation.

This is Exhibit "**I**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

LRO # 65 **Transfer Of Charge** **Registered as YR3760434** on 2025 01 23 at 14:25

The applicant(s) hereby applies to the Land Registrar. yyyy mm dd Page 1 of 2

Properties

PIN	03052 - 2361 LT
Description	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM
Address	MARKHAM

Source Instruments

Registration No.	*Date*	*Type of Instrument*
YR3608789	2023 10 17	Transfer Of Charge

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name AFC MORTGAGE ADMINISTRATION INC.
Address for Service 4 Robert Speck Parkway, 15th Fl.
Mississauga, ON L4Z 1S1

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

Name BREXIT HOLDINGS INC.
Address for Service 105B Winges Road
Woodbridge, Ontario
L4L 6C2

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

Transferee(s) *Capacity* *Share*

Name ROMANDALE FARMS LIMITED — Registered Owner
Address for Service 212 King Street West, Suite 204
Toronto, Ontario
M5H 1K5

Statements

The chargee transfers the selected charge for $1.00

This document relates to registration number(s)YR3608774, YR3608791

Signed By

Perry Cheung — 1000-120 Adelaide St. W. Toronto M5H 3V1 — acting for Transferor(s) — Signed 2025 01 23

Tel 416-363-2211

Fax 416-363-0645

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

Paul Felix Rooney — 204 Tavistock Road Toronto M3M 2P6 — acting for Transferee(s) — Signed 2025 01 23

Tel 416-249-7838

Fax

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

Submitted By

PAUL F. ROONEY PROFESSIONAL CORPORATION — 204 Tavistock Road Toronto M3M 2P6 — 2025 01 23

Tel 416-249-7838

Fax

Fees/Taxes/Payment

Statutory Registration Fee	$70.90
Total Paid	$70.90

File Number

Transferor Client File Number :	43464
Transferee Client File Number :	19562

This is Exhibit "**J**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

____

Commissioner for Taking Affidavits
(or as may be)

David Preger

Your Ref No. 70596BF6-D470-4B1A-B
Liens : 5 **Pages** : 16

Searched : 23APR2026 10:39 AM
Printed : 23APR2026 10:42 AM

```
PSSME02         PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369               DISPLAY 1C REGISTRATION - SCREEN 1              10:40:26
ACCOUNT : 009233-0001       FAMILY :   1 OF   5       ENQUIRY PAGE :   1 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 638365257   EXPIRY DATE : 21AUG 2027 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 001        MV SCHEDULE ATTACHED :
   REG NUM : 20070821 1631 1862 2363 REG TYP: P  PPSA    REG PERIOD: 5
02 IND DOB :            IND NAME:
03 BUS NAME: KING DAVID INC.
                                                                OCN :
04 ADDRESS : 212 KING STREET WEST, SUITE 204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H 1K5
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                                OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
        ROYAL BANK OF CANADA
09 ADDRESS : 3300 HIGHWAY 7, SUITE 300
   CITY    : CONCORD                 PROV: ON    POSTAL CODE: L4K 4M3
  CONS.                              MV                    DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
   YEAR MAKE                      MODEL                V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: HEENAN BLAIKIE LLP
17 ADDRESS : #2600-200 BAY STREET, SOUTH TOWER
   CITY    : TORONTO                 PROV: ONT    POSTAL CODE: M5J 2J4
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                10:40:27
ACCOUNT : 009233-0001       FAMILY :   1 OF   5       ENQUIRY PAGE :   2 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                              FILE NUMBER 638365257
                  PAGE   TOT                        REGISTRATION NUM      REG TYPE
01 CAUTION  :     01  OF 001  MV SCHED:     20120731 1445 1530 4757
21 REFERENCE FILE NUMBER : 638365257
22 AMEND PAGE:     NO PAGE: X  CHANGE: B  RENEWAL REN YEARS: 5    CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: KING DAVID INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
                                                                 OCN:
04/07 ADDRESS:
         CITY:                         PROV:       POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
   CITY    :                         PROV :       POSTAL CODE :
  CONS.                             MV                       DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
   CITY    : BURNABY                 PROV : BC    POSTAL CODE : V5G 3S8
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                10:40:28
ACCOUNT : 009233-0001       FAMILY :   1 OF   5       ENQUIRY PAGE :   3 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                            FILE NUMBER 638365257
                  PAGE   TOT                      REGISTRATION NUM      REG TYPE
01 CAUTION  :     01  OF 001  MV SCHED:     20120731 1445 1530 4758
21 REFERENCE FILE NUMBER : 638365257
22 AMEND PAGE:     NO PAGE: X  CHANGE: A  AMNDMNT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: KING DAVID INC.

25 OTHER CHANGE:
26 REASON: SECURED PARTY ADDRESS CHANGE
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
                                                                  OCN:
04/07 ADDRESS:
         CITY:                         PROV:       POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
        ROYAL BANK OF CANADA
09 ADDRESS : 36 YORK MILLS RD 4TH FLR
   CITY    : TORONTO                 PROV : ON    POSTAL CODE : M2P 0A4
  CONS.                            MV                       DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
   CITY    : BURNABY                 PROV : BC    POSTAL CODE : V5G 3S8
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                10:40:28
ACCOUNT : 009233-0001       FAMILY :   1 OF   5       ENQUIRY PAGE :   4 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                               FILE NUMBER 638365257
                  PAGE   TOT                      REGISTRATION NUM      REG TYPE
01 CAUTION  :     01  OF 001  MV SCHED:     20170728 1437 1530 5086
21 REFERENCE FILE NUMBER : 638365257
22 AMEND PAGE:     NO PAGE: X  CHANGE: B  RENEWAL REN YEARS: 5    CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: KING DAVID INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
                                                                  OCN:
04/07 ADDRESS:
         CITY:                         PROV:       POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
   CITY    :                         PROV :       POSTAL CODE :
  CONS.                             MV                       DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
   CITY    : BURNABY                 PROV : BC    POSTAL CODE : V5G 3S8
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                 10:40:29
ACCOUNT : 009233-0001       FAMILY :   1 OF   5       ENQUIRY PAGE :   5 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                            FILE NUMBER 638365257
                  PAGE   TOT                       REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20220722 0824 1532 9752
21 REFERENCE FILE NUMBER : 638365257
22 AMEND PAGE:     NO PAGE:    CHANGE: B  RENEWAL REN YEARS: 5    CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: KING DAVID INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
                                                                  OCN:
04/07 ADDRESS:
         CITY:                         PROV:       POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
   CITY    :                         PROV :       POSTAL CODE :
  CONS.                             MV                       DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : D + H LIMITED PARTNERSHIP
17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FLOOR
   CITY    : MISSISSAUGA             PROV : ON    POSTAL CODE : L4Z 1H8
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                 10:40:30
ACCOUNT : 009233-0001       FAMILY :   2 OF   5       ENQUIRY PAGE :   6 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 761987655   EXPIRY DATE : 20MAY 2030 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 3          MV SCHEDULE ATTACHED :
   REG NUM : 20200520 1125 1793 1163 REG TYP: P  PPSA    REG PERIOD: 10
02 IND DOB :            IND NAME:
03 BUS NAME: CATHEDRALTOWN COURTYARD 1 LIMITED PARTNERSHIP
                                                                  OCN :
04 ADDRESS : 212 KING STREET WEST, SUITE 204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H1K5
05 IND DOB :            IND NAME:
06 BUS NAME: 2487477 ONTARIO INC.
                                                                  OCN :
07 ADDRESS : 212 KING STREET WEST, SUITE 204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H1K5
08 SECURED PARTY/LIEN CLAIMANT :
        THE SOVEREIGN GENERAL INSURANCE COMPANY
09 ADDRESS : ONE YORK STREET, SUITE 1400
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5J0B6
  CONS.                              MV                     DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10                     X      X
   YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 SECURITY INTEREST IN BOTH THE DEPOSIT MONIES RECEIVED FROM TIME TO
14 TIME AND IN THE
15 WARRANTY RETENTION MONIES SO REQUESTED BY SOVEREIGN PURSUANT TO A
16 AGENT: ROBINS APPLEBY LLP (AWEAVER 2000264)
17 ADDRESS : 120 ADELAIDE ST. WEST SUITE 2600
   CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5H1T1
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:30
ACCOUNT : 009233-0001       FAMILY :   2 OF   5       ENQUIRY PAGE :   7 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 761987655   EXPIRY DATE : 20MAY 2030 STATUS :
01 CAUTION FILING :          PAGE : 002 OF 3          MV SCHEDULE ATTACHED :
   REG NUM : 20200520 1125 1793 1163 REG TYP:           REG PERIOD:
02 IND DOB :            IND NAME:
03 BUS NAME:
                                                                OCN :
04 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                                OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
  CONS.                               MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
   YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 DEPOSIT TRUST
14 AGREEMENT DATED APRIL 8TH, 2020 AND AN INDEMNITY AGREEMENT DATED
15 APRIL 8TH, 2020 WITH
16 AGENT:
17 ADDRESS :
   CITY    :                         PROV:        POSTAL CODE:
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:31
ACCOUNT : 009233-0001       FAMILY :   2 OF   5       ENQUIRY PAGE :   8 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 761987655   EXPIRY DATE : 20MAY 2030 STATUS :
01 CAUTION FILING :          PAGE : 003 OF 3          MV SCHEDULE ATTACHED :
   REG NUM : 20200520 1125 1793 1163 REG TYP:            REG PERIOD:
02 IND DOB :            IND NAME:
03 BUS NAME:
                                                               OCN :
04 ADDRESS :
   CITY    :                        PROV:       POSTAL CODE:
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                               OCN :
07 ADDRESS :
   CITY    :                        PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
   CITY    :                        PROV:       POSTAL CODE:
  CONS.                              MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT      MATURITY    MAT DATE
10
   YEAR MAKE                      MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 RESPECT TO A 103 UNIT HIGHRISE PROJECT LOCATED AT 101 CATHEDRAL HIGH
14 STREET, MARKHAM AND KNOWN AS "CATHEDRAL COURTYARDS"
15
16 AGENT:
17 ADDRESS :
   CITY    :                        PROV:        POSTAL CODE:
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1               10:40:32
ACCOUNT : 009233-0001       FAMILY :   2 OF   5       ENQUIRY PAGE :   9 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                            FILE NUMBER 761987655
                  PAGE   TOT                         REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20201116 1206 1793 1480
21 REFERENCE FILE NUMBER : 761987655
22 AMEND PAGE:     NO PAGE:    CHANGE: A  AMNDMNT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: CATHEDRALTOWN COURTYARD 1 LIMITED PARTNERSHIP

25 OTHER CHANGE:
26 REASON: ADD ADDITIONAL DEBTOR
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE: KING DAVID INC.
                                                                     OCN:
04/07 ADDRESS: 212 KING STREET WEST, SUITE 204
         CITY: TORONTO                 PROV: ON    POSTAL CODE: M5H1K5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
   CITY    :                         PROV :       POSTAL CODE :
  CONS.                             MV                          DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : ROBINS APPLEBY LLP
17 ADDRESS : 120 ADELAIDE ST. WEST SUITE 2600
   CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5H1T1
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                 10:40:32
ACCOUNT : 009233-0001       FAMILY :   2 OF   5       ENQUIRY PAGE :  10 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                              FILE NUMBER 761987655
                  PAGE   TOT                       REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20210922 1534 1793 2429
21 REFERENCE FILE NUMBER : 761987655
22 AMEND PAGE:     NO PAGE:    CHANGE: A  AMNDMNT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: CATHEDRALTOWN COURTYARD 1 LIMITED PARTNERSHIP

25 OTHER CHANGE:
26 REASON: NAME CHANGE OF DEBTOR DUE TO DISSOLUTION OF CATHEDRALTOWN COURTYARD
27 /DESCR: 1 LIMITED PARTNERSHIP AS OF AUGUST 31, 2021 AND AMALGAMATION OF
28       : 2487477 ONTARIO INC. AND KING DAVID INC. AS AT SEPTEMBER 1, 2021
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE: KING DAVID INC.
                                                                     OCN:
04/07 ADDRESS: 212 KING STREET WEST, SUITE 204
         CITY: TORONTO                 PROV: ON    POSTAL CODE: M5H1K5
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
   CITY    :                         PROV :       POSTAL CODE :
  CONS.                             MV                       DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : ROBINS APPLEBY LLP
17 ADDRESS : 120 ADELAIDE ST. WEST SUITE 2600
   CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5H1T1
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:33
ACCOUNT : 009233-0001       FAMILY :   3 OF   5       ENQUIRY PAGE :  11 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 778683726   EXPIRY DATE : 01DEC 2028 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
   REG NUM : 20211201 1216 1590 6966 REG TYP: P  PPSA    REG PERIOD: 7
02 IND DOB :            IND NAME:
03 BUS NAME: KING DAVID INC.
                                                                OCN :
04 ADDRESS : 212 KING STREET WEST, SUITE 204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H 1K5
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                                OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
        FIRST SOURCE FINANCIAL MANAGEMENT INC.
09 ADDRESS : 2235 SHEPPARD AVENUE EAST, SUITE 1202
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M2J 5B5
  CONS.                               MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10 X      X      X      X
   YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 PROPERTY USED IN CONNECTION WITH OR SITUATE AT OR ARISING FROM THE
14 OWNERSHIP, DEVELOPMENT, USE OR DISPOSITION OF THE LANDS LOCATED ON
15 THE WEST SIDE OF VICTORIA BLVD., MARKHAM PINS 03052-2346 (LT),
16 AGENT: CHAITONS LLP - BARRY ROTENBERG
17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
   CITY    : TORONTO                 PROV: ON     POSTAL CODE: M2N 7E9
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:34
ACCOUNT : 009233-0001       FAMILY :   3 OF   5       ENQUIRY PAGE :  12 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 778683726   EXPIRY DATE : 01DEC 2028 STATUS :
01 CAUTION FILING :          PAGE : 002 OF 2          MV SCHEDULE ATTACHED :
   REG NUM : 20211201 1216 1590 6966 REG TYP:            REG PERIOD:
02 IND DOB :             IND NAME:
03 BUS NAME:
                                                                 OCN :
04 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :             IND NAME:
06 BUS NAME:
                                                                 OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
  CONS.                              MV                    DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
   YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 03052-2356 (LT), 03052-2358 (LT) AND 03052-2359 (LT) AND THE PROCEEDS
14 THEREOF
15
16 AGENT:
17 ADDRESS :
   CITY    :                         PROV:        POSTAL CODE:
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                 10:40:34
ACCOUNT : 009233-0001       FAMILY :   4 OF   5       ENQUIRY PAGE :  13 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 793895976   EXPIRY DATE : 01JUN 2028 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 1          MV SCHEDULE ATTACHED :
   REG NUM : 20230601 1304 1532 7861 REG TYP: P  PPSA    REG PERIOD: 05
02 IND DOB :            IND NAME:
03 BUS NAME: KING DAVID INC.
                                                                  OCN :
04 ADDRESS : SUITE 204 - 212 KING STREET WEST
   CITY    : TORONTO                  PROV: ON    POSTAL CODE: M5H1K5
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                                  OCN :
07 ADDRESS :
   CITY    :                          PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
        ROYAL BANK OF CANADA
09 ADDRESS : 36 YORK MILLS ROAD, 4TH FLOOR
   CITY    : TORONTO                  PROV: ON    POSTAL CODE: M2P 0A4
  CONS.                                MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10                        X      X
   YEAR MAKE                        MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13
14
15
16 AGENT: D + H LIMITED PARTNERSHIP
17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FLOOR
   CITY    : MISSISSAUGA              PROV: ON     POSTAL CODE: L4Z 1H8
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:35
ACCOUNT : 009233-0001       FAMILY :   5 OF   5       ENQUIRY PAGE :  14 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 797690025   EXPIRY DATE : 02OCT 2026 STATUS :
01 CAUTION FILING :          PAGE : 001 OF 2          MV SCHEDULE ATTACHED :
   REG NUM : 20231002 1012 1590 2727 REG TYP: P  PPSA    REG PERIOD: 3
02 IND DOB :            IND NAME:
03 BUS NAME: KING DAVID INC.
                                                                OCN :
04 ADDRESS : 212 KING STREET WEST, SUITE 204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M5H 1K5
05 IND DOB :            IND NAME:
06 BUS NAME:
                                                                OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
        HF MARKHAM (CC2) LP
09 ADDRESS : 2 ST. CLAIR AVENUE EAST, SUITE 1204
   CITY    : TORONTO                 PROV: ON    POSTAL CODE: M4T 2T5
  CONS.                               MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10        X      X      X      X      X
   YEAR MAKE                       MODEL               V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 GENERAL SECURITY AGREEMENT, GENERAL ASSIGNMENT OF RENTS, ASSIGNMENT
14 OF PLANS, PERMITS AND CONTRACTS AND OTHER SECURITY DOCUMENTS RELATING
15 TO THE PROPERTY MUNICIPALLY KNOWN AS 100 CATHEDRAL HIGH
16 AGENT: SCHNEIDER RUGGIERO SPENCER MILBURN LLP (45522 DM/AK)
17 ADDRESS : 1000-120 ADELAIDE STREET WEST
   CITY    : TORONTO                 PROV: ON     POSTAL CODE: M5H 3V1
```

```
PSSME02          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM       04/23/2026
CCCL369                DISPLAY 1C REGISTRATION - SCREEN 1                10:40:35
ACCOUNT : 009233-0001       FAMILY :   5 OF   5       ENQUIRY PAGE :  15 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.

00 FILE NUMBER : 797690025   EXPIRY DATE : 02OCT 2026 STATUS :
01 CAUTION FILING :          PAGE : 002 OF 2          MV SCHEDULE ATTACHED :
   REG NUM : 20231002 1012 1590 2727 REG TYP:            REG PERIOD:
02 IND DOB :              IND NAME:
03 BUS NAME:
                                                                 OCN :
04 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
05 IND DOB :              IND NAME:
06 BUS NAME:
                                                                 OCN :
07 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
   CITY    :                         PROV:       POSTAL CODE:
  CONS.                               MV                   DATE OF  OR NO FIXED
  GOODS INVTRY. EQUIP  ACCTS  OTHER  INCL     AMOUNT       MATURITY    MAT DATE
10
   YEAR MAKE                      MODEL              V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 STREET/CATHEDRALTOWN COURTYARD 2, MARKHAM, ONTARIO AND LEGALLY
14 DESCRIBED IN PIN 03052-2361(LT).
15
16 AGENT:
17 ADDRESS :
   CITY    :                         PROV:        POSTAL CODE:
```

```
PSSME04          PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM        04/23/2026
CCCL369                DISPLAY 2C REGISTRATION - SCREEN 1                10:40:36
ACCOUNT : 009233-0001       FAMILY :   5 OF   5       ENQUIRY PAGE :  16 OF  16
FILE CURRENCY : 22APR 2026
SEARCH  : BD  : KING DAVID INC.
                                                              FILE NUMBER 797690025
                  PAGE   TOT                         REGISTRATION NUM      REG TYPE
01 CAUTION  :     001 OF 1    MV SCHED:     20260421 1551 1590 6805
21 REFERENCE FILE NUMBER : 797690025
22 AMEND PAGE:     NO PAGE:    CHANGE: D  ASSGNMT REN YEARS:      CORR PER:
23 REFERENCE DEBTOR/    IND NAME:
24       TRANSFEROR:    BUS NAME: KING DAVID INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28       :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:
                                                                     OCN:
04/07 ADDRESS:
         CITY:                               PROV:       POSTAL CODE:
29 ASSIGNOR:
        HF MARKHAM (CC2) LP
08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
        CC2 (100) GP INC.
09 ADDRESS : 2 ST. CLAIR AVENUE EAST, SUITE 1204
   CITY    : TORONTO                 PROV : ON    POSTAL CODE : M4T 2T5
  CONS.                            MV                         DATE OF      NO FIXED
  GOODS INVTRY EQUIP ACCTS OTHER   INCL      AMOUNT       MATURITY OR  MAT DATE
10
11
12
13
14
15
16 NAME : SCHNEIDER RUGGIERO SPENCER MILBURN LLP (JR/45522)
17 ADDRESS : 1000-120 ADELAIDE STREET WEST
   CITY    : TORONTO                 PROV : ON    POSTAL CODE : M5H 3V1
```

END OF REPORT

This is Exhibit "**K**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits
(or as may be)

David Preger

SRLaw
Schneider Ruggiero Spencer Milburn LLP

George N Ruggiero*
K Bruce Milburn*
Bernard Schneider Counsel
Isaac Singer Counsel
Domenic Damiani
Jonathan Rajzman
Hashim Naqvi
Gagan Panesar
Salwa Allouch
David R Spencer*
David Markowitz*
William Lehun Counsel
Gerald Warner
Perry Cheung
Benjamin Singer
Marko Dakic
Stefania Mariani

Reply To: Jonathan Rajzman
Direct Line: 416 3632211 Ext. 107

Email: jrajzman@srlawpractice.com

File No. 47118

BY REGISTERED MAIL

January 16, 2025

King David Inc.
212 King Street West, Suite 204
Toronto, ON M5H 1K5
Attention: Helen Roman-Barber

and to:

Helen Roman-Barber
41 Glengrove Avenue East
Toronto, ON M4N 1E6

COPY BY EMAIL TO:

Paul F. Rooney Professional Corporation
121 King Street West, Suite 510
Toronto, ON M5H 3T9

RE: HF Markham (CC2) LP (the "**Lender**") loan/first mortgage (the “**Loan**”) to King David Inc. (the "**Borrower**"), guaranteed by Helen Roman-Barber (the “**Guarantor**”), pursuant to a facility letter dated September 18, 2023, as it may be amended from time to time (the “**Facility Letter**”), relating to the property municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario and legally described in PIN 03052-2361(LT) (the “**Property**”)

This will confirm that we are the solicitors for the Lender.

We wish to confirm that the Loan set forth in the Facility Letter matured on **December 1, 2024,** and has not been repaid nor has there been an agreement by the parties to extend the term. Failure to pay principal and interest when due under the Facility Letter constitutes an event of default. Accordingly, we wish to confirm Borrower defaulted on December 1, 2024, and default continues as of the date of this letter. Pursuant to the terms of the Facility Letter and all provisions respecting default as set out in the Facility Letter and the security documents executed in connection with the Facility Letter shall apply.

On behalf of the Lender, we hereby demand immediate payment in full of the outstanding balance of the Loan, together with any applicable penalties, interest and outstanding legal expenses. As of January 26, 2025, the current outstanding balance of the Loan, pursuant to the terms of the Facility Letter is **$5,139,127.42.**

Please be advised that in addition to the foregoing, the Lender reserves the right to exercise any additional right or remedy it has under the Facility Letter, at law or in equity.

We enclose at this time a Notice of Intention to Enforce Security, pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act*.

Govern yourselves accordingly.

Yours truly,
SCHNEIDER RUGGIERO SPENCER MILBURN LLP

Per: Jonathan Rajzman

Encl.

NOTICE OF INTENTION TO ENFORCE SECURITY
UNDER SECTION 244 (1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*

TO: THE PARTIES NAMED IN SCHEDULE "A" ATTACHED HERETO

TAKE NOTICE THAT:

1. **HF Markham (CC2) LP, by its General Partner, Harlo Financial GP Inc.,** secured creditor, intends to enforce its security on the property described below:

Municipal Address:	100 Cathedral High Street, Markham, Ontario
PIN:	03052 - 2361 (LT)
Legal Description:	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM
Registered Owner:	King David Inc.

(hereinafter the "**Property**")

and any other property secured by their security.

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

   a. A Mortgage/Charge dated the 17th day of October, 2023, securing the principal sum of $5,000,000.00 and registered as instrument YR3608760 against the Property, in the Land Registry Office for the Land Titles Division of York (No. 65) and which security was granted to Harlo Financial GP Inc., as general partner of HF Markham (CC2) LP, and a Guarantee, General Security Agreement, Notice of Security Interest and other Security documents.

3. The total amount of indebtedness is **$5,139,127.42** as at the 16th day of January, 2025, together with applicable penalties pursuant to the mortgage and interest accruing on a per diem basis.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vaughan, Ontario, this 16th day of January, 2025.

HF Markham (CC2) LP. by its General Partner, Harlo Financial GP Inc.,
Mortgagee herein, by its Solicitors

SCHNEIDER RUGGIERO SPENCER MILBURN LLP
Per:

____
Jonathan Rajzman
Barrister and Solicitor

This Notice is a required document under the Bankruptcy & Insolvency Act ('Act'). The use of the word "insolvent" is prescribed by the Act but nothing herein shall be deemed to imply that any person to whom this Notice is delivered is, in fact, insolvent.

SCHEDULE "A"

TO:	King David Inc. 212 King Street West, Suite 204 Toronto, ON M5H 1K5 Attention: Helen Roman-Barber
AND TO:	Helen Roman-Barber 41 Glengrove Avenue East Toronto, ON M4N 1E6
AND TO:	Spouse of Helen Roman-Barber 41 Glengrove Avenue East Toronto, ON M4N 1E6

This is Exhibit "**L**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

FORBEARANCE AGREEMENT

made as of the 4th day of February, 2025

RECITALS

WHEREAS:

A. Pursuant to a commitment letter dated September 18, 2023 (the "**Commitment Letter**") between HF Markham (CC2) LP (the "**Lender**"), King David Inc. (the "**Borrower**") and Helen Roman-Barber (the "**Guarantor**"), the Lender advanced a loan facility (the "**Facility**") to the Borrower;

B. The obligations of the Borrower to the Lender in connection with Facility are guaranteed by the Guarantor;

C. The Facility is secured by a charge over real property owned by certain of the Obligors as well as other security, all of which is hereinafter referred to, collectively, as the "**Security**", which consists of, but is not limited to:

   i. the Commitment Letter;

   ii. a first charge in the principal amount of $5,000,000.00 registered in the Land Registry Office of York Region (No. 65) on October 17, 2023, as Instrument No. YR3608760 granted by the Borrower in favour of the Lender against the property municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, in Markham, Ontario and legally described set in Schedule "A" hereto (the "**Property**");

   iii. a general assignment of rents, notice of which was registered in the Land Registry Office of York Region (No. 65) on October 17, 2023, as Instrument No. YR3608761 granted by the Borrower in favour of the Lender against the Property;

   iv. a general security agreement dated October 17, 2023 given by the Borrower to the Lender; and

   v. a guarantee dated October 17, 2023 given by the Guarantor to the Lender;

D. The Obligors were unable to repay the amounts due and owing under the Commitment Letter on the maturity date, being December 1, 2024 (the "**Maturity Date**"), and accordingly, are in default thereunder (the "**Existing Default**");

E. As a result of the Existing Default, the Lender commenced enforcement proceedings;

F. The Obligors have requested that the Lender forbear from exercising further recourse against them or the Security and the Lender has agreed to so forbear subject to the terms and conditions contained herein.

NOW THEREFORE WITNESSETH that in consideration of the sum of ten dollars ($10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, the Parties agree with each other as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions - the following terms shall have the following meanings:

(a) **"Borrower"** has the meaning ascribed thereto in Recital A of this Agreement;

(b) **"Business Day"** means any day other than a Saturday, Sunday or other day on which the Lender is not open for business to the public;

(c) **"Court"** means the Ontario Superior Court of Justice;

(d) **"Event of Default"** has the meaning ascribed thereto in Section 8.1 of this Agreement;

(e) **"Facility"** has the meaning ascribed thereto in Recital A of this Agreement;

(f) **"Forbearance Expiry Date"** has the meaning ascribed thereto in Section 3.2 of this Agreement;

(g) **"Forbearance Fee"** has the meaning ascribed thereto in Section 3.1 of this Agreement;

(h) **"Guarantor"** has the meaning ascribed thereto in Recital A of this Agreement;

(i) **"Indebtedness"** means, with respect to the Facility, the indebtedness owing under the Facility on account of principal, interest and other fees and monies;

(j) **"Lender"** has the meaning ascribed thereto in Recital A of this Agreement;

(k) **"Obligors"** means, collectively, the Borrower and the Guarantor;

(l) **"Parties"** means any one or more parties referred to in this Agreement, as the context may require;

(m) **"Prime"** means the annual interest rate used by the Canadian Imperial Bank of Commerce at any time, and from time to time, to set interest rates for variable loans and lines of credit, including variable-rate mortgages;

(n) **"Property"** means the lands and buildings legally described in Schedule "A" hereto; and

(o) **"Security"** has the meaning ascribed thereto in Recital C of this Agreement.

ARTICLE 2 - ACKNOWLEDGMENTS

2.1 Acknowledgments

The Obligors hereby irrevocably acknowledge and agree that:

(a) As at February 1, 2025, the Indebtedness was $5,184,544.66;

(b) The is no dispute regarding the quantum of the Indebtedness;

(c) The Indebtedness is owing by each of the Obligors;

(d) There is no dispute respecting the liability of the Obligors to repay the Indebtedness in full on any grounds whatsoever;

(e) The Security is good and valid security for payment of the Indebtedness and none of the Security has been released, waived or varied except as set forth in this Agreement;

(f) Intentionally Deleted; and

(g) Each of the Obligors consents to each of the other entering into this Agreement.

2.2 Waiver and Release

Each of the Obligors acknowledges that the actions of the Lender in the administration of the Facility and the Security to date and in entering into this Agreement have been fair and reasonable and each of them hereby waives and agrees not to assert or cause to be asserted any defences, rights, claims, assessments, or set-offs existing as at the date of this Agreement with respect to the foregoing or with respect to the Indebtedness and each hereby releases and remises the Lender from any and all claims with respect to the Indebtedness, the Facility and Security, save and except, as may arise directly from this Agreement. Further, in executing and delivering this Agreement, each of the Obligors have received or have had the opportunity to receive independent legal advice and are acting freely and without duress.

ARTICLE 3 - FORBEARANCE

3.1 Forbearance Fee

In consideration of the Lender agreeing to forbear from exercising recourse against them or the Security upon the Facility Maturity Date, the Guarantor hereby agrees to pay to the Lender a forbearance fee of $120,000.00 (the **"Forbearance Fee"**). The Forbearance Fee shall be deemed to be earned immediately upon execution of this Agreement by the Lender and the Obligors.

3.2 Conditions Precedent to Lender's Forbearance

Subject to and in accordance with the terms of this Agreement, provided that:

(a) Intentionally Deleted.

(b) upon execution of this Agreement by the Lender and the Obligors, the Lender receives payment as more specifically set out in Section 3.2(f)(vi) on account of the Lender's out-of-pocket expenses; and

(c) upon execution of this Agreement by the Lender and the Obligors, the Lender receives an acknowledgement of priority and postponement and standstill from Romandale Farms Limited with respect to its subsequent charge on the Property registered as Instrument No. YR3608774, and all other instruments and documents related thereto (the "Romandale Mortgage") acknowledging, *inter alia*, that the Lender's Security, and all fees and charges thereunder, including those incurred in respect of this Agreement, have full priority over the Romandale Mortgage; and

(d) upon execution of this Agreement by the Lender and the Obligors, the Obligors deliver evidence of payment of property taxes and all obligations to make payment of all taxes, deductions, withholdings and remissions to the Province of Ontario and the Government of Canada (collectively the "**Governmental Authorities**") under the *Income Tax Act*, Canada, the *Excise Tax Act*, Canada, the *Canada Pension Act*, Canada, the *Employment Insurance Act*, Canada, the *Retail Sales Tax Act*, Ontario, the *Fuel Tax Act*, Ontario, the *Tobacco Tax Act*, Ontario, the *Development Charges Act*, Ontario and the *Workplace Safety and Insurance Act*, Ontario, and any other legislation, whether provincial or federal, as any one or more of them may be amended from time to time, the default of which would form the basis of a super priority claim by such Governmental Authorities under such legislation over the advances and the priority of the Security; and

(e) upon execution of this Agreement by the Lender and the Obligors, the Obligors deliver evidence of insurance for the Property upon terms satisfactory to the Lender, naming the Lender as first mortgagee and loss payee; and

(f) upon execution of this Agreement

i. the Lender receives payment from the Guarantor of $120,000.00 by wire on account of the balance of the Forbearance Fee;

ii. the Lender receives a principal payment of $500,000.00 from the Guarantor by wire transfer on account of the Facility;

iii. The Lender receives payment from the Guarantor of $1,500.00 by wire on account of its Default Proceedings Fee;

iv. the Lender receives satisfactory evidence that realty taxes for the Property are paid up to date and that there are no arrears;

v. Anbros Financial receives payment of $60,000.00 on account of a broker fee; and

vi. the Lender receives payment of the sum $31,494.50 on account of the Lender's out-of-pocket expenses, including, without limitation, the Lender's legal fees in preparing this Agreement and commencing enforcement proceedings, plus $508.50 on account of the insurance review of ProIncon Limited;

the Lender agrees to forbear from exercising its remedies with respect to the Indebtedness, or pursuant to the Facility and under the Security upon the Facility Maturity Date until December 1, 2025 (the "**Forbearance Expiry Date**"), unless there is an Event of Default that occurs prior thereto.

3.3 Timely Performance

It is intended by all Parties hereto that the obligations in this Agreement shall be performed strictly in accordance with the provisions of this Agreement and in a timely manner, with time being of the essence. Accordingly, should default occur in the timely performance of obligations by any of the Obligors for any reason whether within or beyond the control of any of them, the Lender shall upon the occurrence of such default be immediately entitled to rely upon its rights and remedies as set forth in this Agreement.

3.4 Repayment Prior to Forbearance Expiry Date

The Obligors hereby confirm, acknowledge, and agree that all provisions pertaining to prepayment and repayment of the Facility under the Commitment Letter shall continue to remain in full force and effect. For greater certainty, the Obligors shall have the right unless and until there is an Event of Default of repaying the Facility in full prior to the Forbearance Expiry Date in accordance with the terms of the Commitment Letter and Security including upon at least thirty (30) days prior written notice to the Lender on the terms provided in the Commitment Letter.

ARTICLE 4 – CHANGE IN INTEREST PAYABLE UNDER FACILITY

4.1 In accordance with the terms set out in the Commitment Letter, effective November 1, 2024 and thereafter, subject to Articles 4.2 below and 4.3 below, interest was payable under the Facility at the greater of: (i) 20.25% per annum; or (ii) Prime plus 13.8% per annum.

4.2 Following satisfaction of all conditions precedent contained in section 3.2 (a) through (f) herein (the "**CP Satisfaction Date**"), and provided no Event of Default has occurred, then from November 1, 2024 to and including October 31, 2025 the interest shall be payable under the Facility at the greater of: (i) 12.25% per annum; or (ii) Prime plus 5.8% per annum; and thereafter interest shall be payable under the Facility at the greater of: (i) 20.25% per annum; or (ii) Prime plus 13.8% per annum.

4.3 Notwithstanding the Lender's entitlement to interest at the rates noted in Article 4.1 above prior to the CP Satisfaction Date, in the event that all conditions precedent contained in section 3.2 (a) through (f) herein are satisfied on or before the applicable deadlines, the Lender shall credit the Borrower for any payments received between November 1, 2024 and the CP Satisfaction Date which were calculated on a basis of interest on the Facility in excess of the greater of: (i) 12.25% per annum or (ii) Prime plus 5.8% per annum.

4.4 Interest shall at all times be calculated and payable monthly, not in advance, both before and after maturity or demand, or before and after default or judgment, and payable in accordance with section 11 of the Commitment Letter. The Obligors shall keep the interest payable under the

Facility in good standing in accordance with the Commitment Letter and Article 4 of this Agreement.

ARTICLE 5 - OBLIGORS' COVENANTS

5.1 Subject to the terms and conditions contained in Article 3 hereof, and in addition to any other covenants contained herein or under the Security, each of the Obligors covenants and agrees with the Lender that:

(a) Maintain Status

The Borrower shall maintain its existence as a valid and subsisting corporate entity;

(b) Further Assurances

The Obligors agree to sign or execute all such other documents and such other things as may be necessary or desirable for more completely and effectively carrying out the terms and intentions of this Agreement;

(c) No Corporate Changes

The Borrower shall not merge, amalgamate or consolidate with any other corporation except with the prior written consent of the Lender;

(d) Legal Title

The Borrower shall hold and continue to hold legal title to the Property in the manner currently held;

(e) No Additional Shares

The Borrower shall not issue any additional shares from treasury or permit any shares to be redeemed;

(f) Notice of Proceedings

The Obligors shall give the Lender prompt written notice of any litigation, arbitration or administered proceedings before any court, arbitration, tribunal or government authority, or dispute affecting the Obligors or the Property;

(g) Priority of Security

The Obligors shall not do anything to impair the ranking of the Security held by the Lender;

(h) Access Requirements

The Obligors shall permit the Lender, its, agents, consultants and professional advisors to have full and complete access at any time or from time to time to the Property and to any records, information or data of the Obligors relating to the Property in their possession or control;

(i) No Agreements

Except as expressly permitted herein, the Obligors agree not to enter into any agreement or employ any strategy, either directly or indirectly, which would encumber, restrict or otherwise impair the Property or the marketability thereof;

(j) No Amendments

The Obligors agree not to amend, vary or permit any amendments or variation of any by-law, development agreement, site plan agreement or any other agreement with any applicable government authority with respect to the Property without the prior written consent of the Lender, which consent shall not be unreasonably withheld or delayed;

(k) Consent of Lender Prior to Disposition

The Obligors agree not to enter into any binding agreement regarding the sale of the Property without the Lender's prior written consent, which consent shall not be unreasonably withheld or delayed. It is understood and agreed that the Lender shall not be required to provide its prior written consent to a binding agreement regarding the sale of the Property unless it first receives a written assignment of such binding agreement, including the right to enforce such binding agreement against the purchaser, enforceable upon the occurrence of the Event of Default;

(l) Insurance

The Obligors agree to insure and keep fully insured the Property to the satisfaction of the Lender and to provide evidence to the Lender of such insurance with the Lender named as first loss payee with respect to the Property;

(m) Realty Taxes and Utilities

Each of the Obligors agrees to remain current with respect to realty taxes and utilities in respect to the Property and provide to the Lender, upon request, satisfactory evidence of payments of realty taxes and utilities in respect to the Property;

(n) Disclosure of Information

The Obligors agree to provide up-to-date rent roll information in respect of the Property;

(o) the Guarantor shall make a further principal payment of $500,0000.00 by wire transfer on account of the Facility, on or before 4pm on July 2, 2025.

ARTICLE 6 - REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties

The Obligors each represent and warrant to the Lender and acknowledge that the Lender is relying on such representations and warranties in entering into this Agreement as follows:

(a) The Borrower is a corporation duly incorporated, organized and subsisting under the laws of the Province of Ontario;

(b) The Obligors have the power and authority to enter into and perform their obligations under this Agreement;

(c) The execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate or other actions; and

(d) The execution of this Agreement does not conflict with or result in the breach or violation of or constitute a default under any Obligor's constating documents or by-laws, or any judgment, commitment, agreement or any other instruments to which any Obligor is bound, nor requires the consent or approval of any other party.

The representations and warranties set forth herein shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the repayment of the Indebtedness and any other amounts due under this Agreement by the Obligors to the Lender.

ARTICLE 7 - SECURITY

7.1 Security

The Security shall continue to be held by the Lender hereunder until the Indebtedness, and any other obligations of the Obligors under this Agreement have been paid and satisfied in full.

ARTICLE 8 - DEFAULT

8.1 Events of Default

Each of the following events shall constitute an event of default under this Agreement (an "**Event of Default**"):

(a) Any default or failure of the Obligors to make or cause to be made the payments to the Lender required pursuant to this Agreement;

(b) Any default or failure of the Obligors to make or cause to be made payments to third parties pursuant to subsection 5.1 (m) of this Agreement;

(c) Any default or failure in the observance or performance of any covenant of the Obligors under this Agreement, the Security or any other agreement with the Lender;

(d) Any representation, warranty or statement contained herein or any document delivered pursuant hereto which is proved to be untrue or incorrect in any material respect;

(e) If in the opinion of the Lender there occurs any material adverse change to the Property or financial condition of the Obligors;

(f) The filing of a bona fide application or petition or the passing of a resolution for the winding up or dissolution of any of the Obligors;

(g) The execution or any other process of any court or any other tribunal becoming enforceable against the Obligors or distress or analogous process being taken or issued against the Obligors or levied upon the Property or any part thereof, including without limitation, a warrant of distress for any taxes unless the same is being actively and diligently contested by the Obligors to the satisfaction of the Lender. However the Lender acknowledges that First Source Financial Management Inc. as well as RSM Canada Limited (now TBD Advisory Limited) (appointed as court-appointed receiver of certain property and assets of the Obligors as at December 21, 2023, the "Receiver"), have already initiated certain executions and other processes of the applicable courts as against each of the Obligors (but as of the date hereof, have not initialed any action against or in respect of the Property), and there is an existing judgement against the Borrower, bearing execution No. 24-0000814, and an existing judgement against the Guarantor, bearing execution No. 24-0001040, each in favour of First Source Financial Management Inc. ("**First Source**") under Court File No. CV-23-00710411-00CL (collectively, the "**Existing Judgements**"), and therefore notwithstanding the forgoing provisions in this Section 8.1(g), Lender agrees and confirms that the Existing Judgements, and enforcement steps taken by First Source in respect of same or steps taken by the Receiver, in the course of its receivership proceedings, will not trigger an Event of Default hereunder, except as provided in 8.1(h) below

(h) First Source or the Receiver takes any enforcement action against the Property.

(i) The appointment of a receiver, receiver and manager, liquidator, or other similar administration of the Property, or the taking by a secured party or any other encumbrancer of possession of the Property or any part thereof; and

(j) The Obligors committing or threatening to commit any act of bankruptcy, filing of voluntary assignment in bankruptcy, making a proposal, or taking other legal proceedings in respect of the settlement of any claims of creditors whether under the provisions of the *Bankruptcy and Insolvency Act* (Canada), *Companies Creditors Arrangement Act* (Canada), or otherwise or any of the Obligors taking any proceedings which may result in bankruptcy or a stay of proceedings being declared.

Upon the occurrence of an Event of Default, the obligation of the Lender to forbear as set forth in Section 3.2 hereof shall immediately and automatically terminate without any obligation on the part of the Lender to notify the Obligors, and the Lender may immediate enforce its rights under this Agreement, and the Security including, without limitation, by the appointment of a receiver,

receiver and manager or agent of the Property pursuant to the Security or upon application to the Court as the Lender may see fit in its sole, absolute and unfettered discretion. The Lender may waive any Event of Default in its sole and absolute discretion, but no such waiver shall constitute a waiver of any other or subsequent Event of Default.

ARTICLE 9 - GENERAL

9.1 Recitals

The recitals to this Agreement and true, accurate and binding on the Parties and form part of this Agreement.

9.2 Entire Agreement

This Agreement constitutes the entire agreement between the Lender and the Obligors regarding the subject matter of this Agreement and supersedes all prior agreements or discussions between the Lender and the Obligors, whether written or oral, regarding the subject matter of this Agreement.

9.3 Severability

If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and shall remain valid and enforceable.

9.4 Costs and Expenses

All costs and expenses hereafter incurred by the Lender (including but not limited to legal fees on a full indemnity basis) in connection with the enforcement of this Agreement, the Facility and the Security shall be for the account of the Obligors and shall be paid for by the Obligors on a current basis forthwith upon presentation of invoices and in default of payment, shall be added to and form part of the Obligors' obligations under the Facility and the Security.

9.5 Notice

Any notice required or permitted to be given hereunder or any tender or delivery of documents may be given in writing by email or personal delivery to the Parties at the following addresses:

If to the Borrower and/or the Guarantor at:

212 King Street West, Suite 204
Toronto, ON M5H 1K5

Attention Helen Roman-Barber
Email: romanh@romandale.com

If to the Lender at:

Harlo Financial GP Inc. as General Partner
for and on behalf of HF Markham (CC2) LP
2 St. Clair Avenue East, Suite 1204
Toronto, ON M4T 2T5

Attention: Jonathan Tkatch
Email: jtkatch@harlocap.com

Any notice to given to the Lender shall be copied to:

Schneider Ruggiero Spencer Milburn LLP
1000-120 Adelaide Street West
Toronto, ON M5H 3V1

Attention: David Markowitz
Email: dmarkowitz@srlawpractice.com

and

Dickinson Wright LLP
199 Bay Street, Suite 2200, Commerce Court West
Toronto, ON M5L 1G4

Attention: David P. Preger
Email: dpreger@dickinsonwright.com

The date of receipt of such notice or delivery shall be the date of email or personal delivery to the address specified if personally delivered, unless such date is not a Business Day, in which event the date of receipt shall be the next Business Day immediately following the date of such delivery.

9.6 Relationship of Parties

Nothing in this Agreement shall be construed to change the relationship existing between the Obligors and the Lender to other than the debtor-creditor relationship as it now exists. This Agreement is not intended to nor shall it create a partnership, joint venture or agency relationship between the Lender and the Obligors.

9.7 Successors and Assigns

This Agreement shall not be assigned by any of the Obligors unless authorized by the Lender in writing and this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and permitted assigns.

9.8 Counterparts/copies

This Agreement may be executed by any of the undersigned parties electronically, in accordance with the provisions of the Electronic Commerce Act, 2000, S.O. 2000, as amended (including, without limitation, through the DocuSign electronic signing platform), and if and when any party executes this Agreement by or through an electronic signing platform, then such party shall be obliged to forthwith provide the other party or parties hereto with a copy of the certificate of completion produced by the electronic signing platform (if any) which confirms, verifies and/or validates the electronic signature of the party so executing same electronically, provided however that the failure to provide such certificate shall not negate the validity and/or enforceability of this Agreement. A photocopy or a scanned and e-mailed copy of this Agreement (whether signed in wet-ink or electronically) may be relied upon and/or enforced to the same extent as if they were original executed versions. In addition, this Agreement may be executed and delivered in counterparts, each of which, when so executed, shall be deemed to be originals and all of which taken together shall be deemed to constitute one and the same document and shall be fully enforceable against any signatory hereto, notwithstanding that the copy of this document executed by such signatory has not been executed by any other signatory.

9.9 Governing Law

The Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement with effect as of the date first written above.

KING DAVID INC.

Per: H Roman-Barber
Name: Helen Roman-Barber
Title:

I have authority to bind the Corporation

Witness

HELEN ROMAN-BARBER

HARLO FINANCIAL GP INC. AS GENERAL PARTNER FOR AND ON BEHALF OF HF MARKHAM (CC2) LP

Per: Jonathan Tkatch
Name: Jonathan Tkatch
Title:
I have authority to bind the Corporation

SCHEDULE "A"

PIN:	03052-2361 (LT)
Description:	BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN65R35097 AS IN YR2616280; CITY OF MARKHAM
Municipal Address:	100 Cathedral High Street, Markham, Ontario

This is Exhibit "**M**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

LRO # 65 **Transfer Of Charge** **Receipted as YR3916309** on 2026 04 21 at 15:45

The applicant(s) hereby applies to the Land Registrar. yyyy mm dd Page 1 of 3

Properties

PIN 03052 - 2361 LT

Description BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

Address MARKHAM

Source Instruments

Registration No.	*Date*	*Type of Instrument*
YR3608760	2023 10 17	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name HARLO FINANCIAL GP INC.
Address for Service 2 St. Clair Avenue East, Suite 1204
Toronto, Ontario, M4T 2T5

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

Name HF MARKHAM (CC2) LP
Address for Service 2 St. Clair Avenue East, Suite 1204
Toronto, Ontario, M4T 2T5

This is the firm name of the Partnership/Limited Partnership.

Transferee(s) *Capacity* *Share*

Name CC2 (100) GP INC.
Address for Service 2 St. Clair Avenue East, Suite 1204
Toronto, Ontario, M4T 2T5

Statements

The chargee transfers the selected charge for $2.00

Schedule: See Schedules

This document relates to registration number(s)YR3608760, YR3608765

Signed By

Jonathan Adam Rajzman 1000-120 Adelaide St. W. Toronto M5H 3V1 acting for Transferor(s) First Signed 2026 04 21

Tel 416-363-2211

Email jrajzman@srlawpractice.com

Jonathan Adam Rajzman 1000-120 Adelaide St. W. Toronto M5H 3V1 acting for Transferor(s) Last Signed 2026 04 27

Tel 416-363-2211

Email jrajzman@srlawpractice.com

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

Jonathan Adam Rajzman 1000-120 Adelaide St. W. Toronto M5H 3V1 acting for Transferee(s) First Signed 2026 04 21

Tel 416-363-2211

Email jrajzman@srlawpractice.com

Jonathan Adam Rajzman 1000-120 Adelaide St. W. Toronto M5H 3V1 acting for Transferee(s) Last Signed 2026 04 27

Tel 416-363-2211

Email jrajzman@srlawpractice.com

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

Submitted By

Schneider Ruggiero Spencer Milburn LLP
1000-120 Adelaide St. W.
Toronto
M5H 3V1
2026 04 28

Tel 416-363-2211

Email jrajzman@srlawpractice.com

Fees/Taxes/Payment

Statutory Registration Fee	$71.55
Total Paid	$71.55

File Number

Transferor Client File Number :	45522

TRANSFER AND ASSIGNMENT
(*Loan and Related Security*)

THIS AGREEMENT made with effect as of the 21st day of April, 2026.

B E T W E E N:

HARLO FINANCIAL GP INC., as general partner of HF MARKHAM (CC2) LP
(the "**Transferor**")

OF THE FIRST PART

- and -

CC2 (100) GP INC.
(the "**Transferee**")

OF THE SECOND PART

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the parties agree as follows:

1. The Transferor hereby absolutely transfers, assigns and sets over to the Transferee all of its right, title and interest in and to the charge registered in the Land Registry Office of York Region (No. 65) (the "**LRO**") on October 17, 2023, as Instrument No. YR3608760, and related general assignment of rents, notice of which was registered in the LRO on October 17, 2023, as Instrument No. YR3608761, together with all of its right, title and interest in and to the indebtedness secured thereby (the "**Indebtedness**") and any and all other security, agreements, guarantees, indemnities, registrations under the *Personal Property Security Act* (Ontario), and instruments now or hereafter held by or in favour of the Transferor as security therefor (collectively, the "**Security**"), in each case pursuant to that certain facility letter between the Transferor and King David Inc. (the "**Borrower**"), dated as of September 18, 2023, as amended, restated, supplemented or otherwise modified from time to time (collectively, the "**Loan**").

2. Without limiting the generality of the foregoing, such transfer includes, without limitation, (i) all amounts owing by the Borrower in respect of the Indebtedness, (ii) any and all amounts held by the Transferor in any interest reserve or otherwise in connection with the Loan or the Security, and (iii) the full benefit of all rights, benefits, privileges, powers and remedies, and of all covenants and agreements contained in or arising under the Loan and the Security, together with all present and future choses in action, claims and rights of enforcement relating thereto.

3. The Transferee shall have the sole and exclusive right to demand, sue for, enforce and realize upon the Indebtedness and the Security and to exercise all rights, powers and remedies in respect thereof as if originally named therein in place of the Transferor, including, without limitation, full power and authority to use the name of the Transferor for the purpose of enforcing the performance of the covenants and other matters and things contained in the Loan and the Security.

4. The Transferor makes this transfer to the Transferee to have and to hold the Loan and the Security and all monies arising in respect of the same and to accrue thereon to the use of the Transferee absolutely forever.

5. The Transferor hereby confirms that to the extent that any of the Security is incapable of transfer & assignment, the Transferor agrees that it shall hold any such agreement in trust for the Transferee and that, in the event of occurrence and during the continuance of an Event of Default under the Security, it shall act as agent for the Transferee and will perform all of the Transferor's obligations under such agreements as the Transferee may so direct and hold all benefit of any such agreement in trust for the Transferee.

6. The Transferor covenants and agrees from time to time and at all times hereafter at the request of the Transferee to execute and deliver such further assurances for the better and more perfectly assigning to the Transferee the Loan and the Security as the Transferee shall, acting reasonably, deem necessary or desirable.

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

This is Exhibit "**N**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Mortgage Statement

Re:	Loan/first mortgage to King David Inc. (the "Borrower"), guaranteed by Helen Roman-Barber (the “Guarantor”), pursuant to a facility letter dated September 18, 2023, as it may be amended and assigned from time to time (the “Facility Letter”), relating to the property municipally known as 100 Cathedral High Street/Cathedraltown Courtyard 2, Markham, Ontario and legally described in PIN 03052-2361(LT) (the “Property”)
Interest Rate	20.25%
Effective Date:	30-Apr-26

Principal		
Principal Owing as of September 1, 2025	$	4,050,000.00
Interest		
Interest Owing November 1, 2025 - November 30, 2025	$	68,343.75
Interest Owing December 1, 2025 - December 30, 2025	$	69,497.05
Interest Owing January 1, 2026 - January 31, 2026	$	70,669.81
Interest Owing February 1, 2026 - February 28, 2026	$	71,862.37
Interest Owing March 1, 2026 - March 31, 2026	$	73,075.04
Interest Owing April 1, 2026 - April 30, 2026	$	74,308.19
Fees		
Missed Payment ($200 x 6)	$	1,200.00
Default Proceedings Fee	$	1,500.00
Receivership Application Fee	$	2,000.00
Motion/Affidavit Fee	$	750.00
Loan Statement Fee	$	260.00
Loan Maintenance Fee - 2026	$	450.00
Costs		
Planning Costs (est.)	$	15,000.00
Total Owing as of Above Date	**$**	**4,498,916.21**

Per-Diem Interest Accrues at the effective Interest Rate commencing May 1, 2026

E. & O.E.

Notes:

*Interest Rate applicable from November 1, 2025 onwards is the greater of (i) 20.25% per annum; or (ii) Prime plus 13.8% per annum

* Interest is compounded and calculated monthly

* This statement does not include legal fees and disbursements associated with ongoing loan maintenance or default

* Planning costs estimated in connection with drawings and plans related to marketing of property in connection with enforcement

* This statement does not include any other costs or fees that may be incurred in connection with enforcement proceedings

This is Exhibit "**O**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C

Commissioner for Taking Affidavits
(or as may be)

David Preger

Court File No. CV-23-00710411-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	THURSDAY, THE 21ST
	)	
JUSTICE STEELE	)	DAY OF DECEMBER, 2023

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

KING DAVID INC. and **HELEN ROMAN-BARBER**

Respondents

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing RSM Canada Limited as receiver (in such capacities, the "Receiver") without security, over the lands and premises having the legal descriptions set out in Schedule A hereto (the “Real Property”) owned by King David Inc. (the "Debtor") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the materials filed by the parties, including the affidavit of David Mandel affirmed December 7, 2023 and the Exhibits thereto, the factum of the Applicant, and the affidavit of Helen Roman-Barber affirmed December 19, 2023, and on hearing the submissions of counsel for the parties, and on reading the consent of RSM Canada Limited to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM Canada Limited is hereby appointed Receiver, without security, of the Real Property and any personal property located on or which may arise out of, from or in connection with the ownership, use or disposition of the Real Property, and any proceeds to be received by the Debtor derived from any dealings with the Real Property by the Debtor (collectively, with the Real Property, the "Property").

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) only in respect of the Property: to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(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 in respect of the Property or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in respect of the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to the Debtor in respect of the Property;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings.[1] The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $250,000; and

(ii) with the approval of this Court and on notice to the Debtor 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, and in each case the Ontario *Bulk Sales Act* shall not apply.

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

---

[1] 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.

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor in respect of the Property;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Property;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have in respect of the Property; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this 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 DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor in relation to the Property 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 in relation to the Property 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 in relation to the Property, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

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.

PIPEDA

14. 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 in respect of the Property, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. 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

16. 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

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

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

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

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed

[2] 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".

$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

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

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

GENERAL

26. 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.

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

28. 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.

29. 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.

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

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

Digitally signed by Jana Steele
Date: 2023.12.22 16:19:05 -05'00'

SCHEDULE "A" – THE REAL PROPERTY

PIN 03052-2346 (LT)
PART LOT 23 CON 3 (MKM) PARTS 1 & 2, PLAN 65R35097; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2, PLAN 65R35097 AS IN YR665936; SUBJECT TO AN EASEMENT IN FAVOUR OF PART LOT 23, CON 3 (MKM) PARTS 3 & 4 PLAN 65R35097 AS IN YR2626242; CITY OF MARKHAM

PIN 03052-2356 (LT)
PART LOT 23 CON 3 (MKM) PART 5, PLAN 65R35097 EXCEPT PART 8 PLAN 65R36851; CITY OF MARKHAM

PIN 03052-2358 (LT)
PART LOT 23, CONCESSION 3 (MKM); SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7, 8 & 14 PLAN 65R30068 AS IN YR665936 (PARTIALLY RELEASED BY YR1567872; SUBJECT TO AN EASEMENT OVER PART 6, PLAN 65R35097 IN FAVOUR OF PART LOT 23 CON 3 (MKM) PARTS 3 & 4, PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

PIN 03052-2359 (LT)
PART LOT 23, CONCESSION 3 (MKM); SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 6 & 13 PLAN 65R30068 AS IN YR665936 (PARTIALLY RELEASED BY YR1567872; SUBJECT TO AN EASEMENT OVER PART 6, PLAN 65R35097 IN FAVOUR OF PART LOT 23 CON 3 (MKM) PARTS 3 & 4, PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_____________________

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "Receiver") of the Real Property of the Debtor, as such terms are defined in the Order (as defined below) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of ______, 20__ (the "Order") made in an application having Court file number CV-23-00710411-00CL , has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of $___________, being part of the total principal sum of $___________ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the _____ day of ______________, 20__.

RSM Canada Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: ___________________________________

Name:

Title:

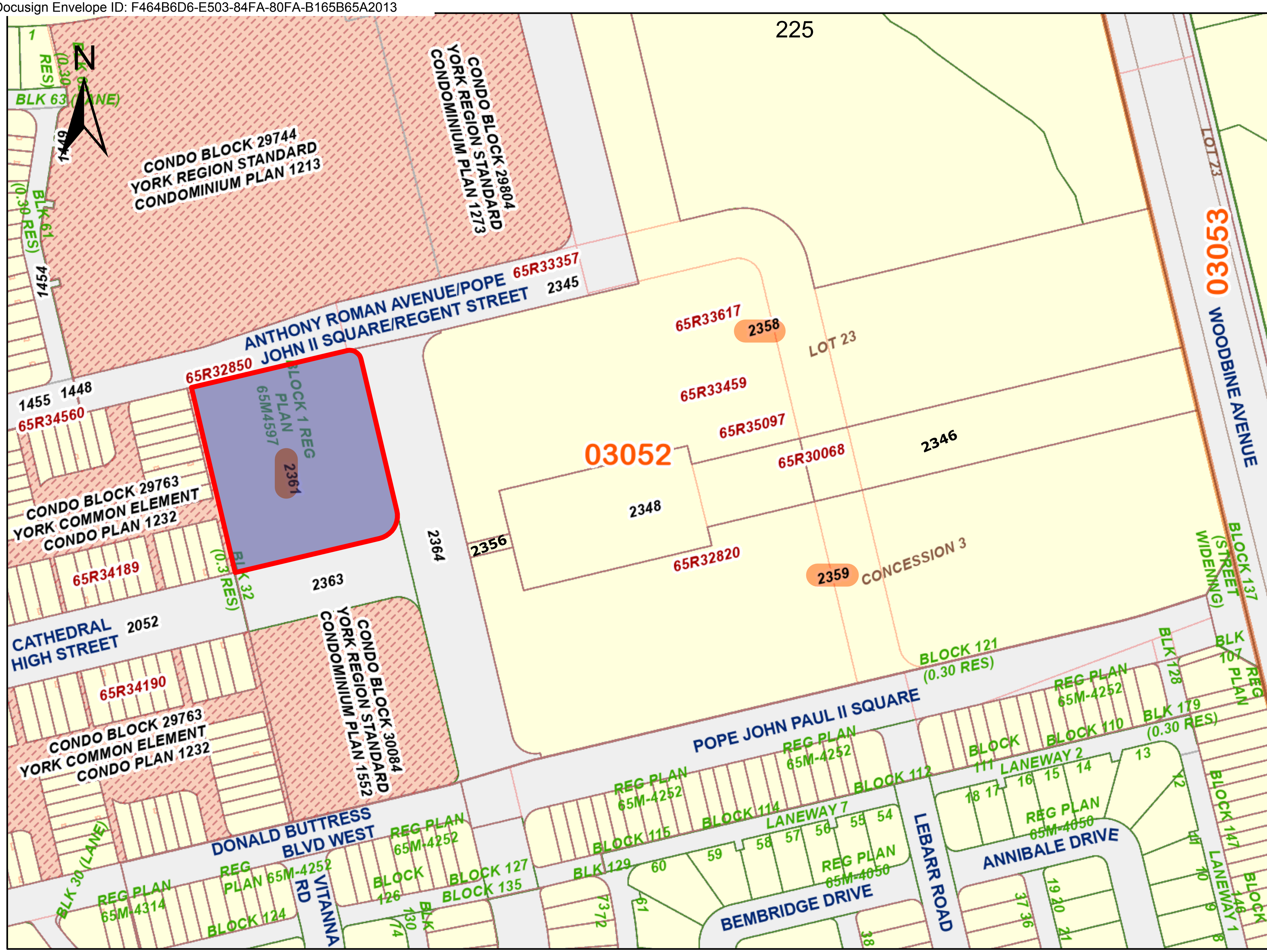
This is Exhibit "**P**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger



ServiceOntario

PRINTED ON 27 APR, 2026 AT 15:41:13
FOR BDESAI02

SCALE

0 20 40 60 80 meters

PROPERTY INDEX MAP

YORK REGION(No. 65)

LEGEND

FREEHOLD PROPERTY
LEASEHOLD PROPERTY
LIMITED INTEREST PROPERTY
CONDOMINIUM PROPERTY
RETIRED PIN (MAP UPDATE PENDING)
PROPERTY NUMBER *0449*
BLOCK NUMBER 08050
GEOGRAPHIC FABRIC
EASEMENT

THIS IS NOT A PLAN OF SURVEY

NOTES

REVIEW THE TITLE RECORDS FOR COMPLETE PROPERTY INFORMATION AS THIS MAP MAY NOT REFLECT RECENT REGISTRATIONS

THIS MAP WAS COMPILED FROM PLANS AND DOCUMENTS RECORDED IN THE LAND REGISTRATION SYSTEM AND HAS BEEN PREPARED FOR PROPERTY INDEXING PURPOSES ONLY

FOR DIMENSIONS OF PROPERTIES BOUNDARIES SEE RECORDED PLANS AND DOCUMENTS

ONLY MAJOR EASEMENTS ARE SHOWN

REFERENCE PLANS UNDERLYING MORE RECENT REFERENCE PLANS ARE NOT ILLUSTRATED

LICENSE TERMS

SOME OF THE INFORMATION IS PROVIDED BY THE ONTARIO ROAD NETWORK UNDER OPEN GOVERNMENT LICENSE AND SUBJECT TO LICENSE TERMS.

Ontario

This is Exhibit "**Q**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

Court File No.: CV-23-00710411-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 11th
	)	
JUSTICE STEELE	)	DAY OF SEPTEMBER, 2025

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and –

KING DAVID INC. AND HELEN ROMAN-BARBER

Respondents

ORDER
(SALE PROCESS AND STALKING HORSE APS)

THIS MOTION, made by TDB Restructuring Limited, in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") over certain property owned by King David Inc. (together with Helen Roman-Barber, the "**Respondents**"), including the lands and premises having the legal descriptions set out in Schedule "A" hereto (the "**Property**"), for an Order, among other things, approving (a) the retention of Cushman and Wakefield Inc. as listing agent pursuant to a listing agreement (the "**Listing Agreement**"); (b) a sale process for the Property (the "**Sale Process**") substantially in the form attached as Schedule "B" hereto; (c) a stalking horse purchase agreement dated as of August 8**,** 2025 (the "**Stalking Horse APS**") between the Receiver and Home Trust Company (the "**Stalking Horse Bidder**" or "**HTC**"), solely for the purpose of acting as the stalking horse bid; (d) approving the Receiver's cash receipts and disbursements for the period January 12, 2024 to July 31, 2025 (the "**Interim R&D**"); and (f) sealing confidential appendices 1 and 2 to the First Report dated August 8, 2025 (the "**First Report**"), the confidential appendix (collectively, the "**Confidential Appendices**") to the Receiver's Supplemental Report of TDB Restructuring Limited, in its capacity as Receiver, dated September 2, 2025 (the "**Supplemental Report**"), and the unredacted Affidavit of Roman-Barber sworn September 9, 2025 (the "**Unredacted Affidavit**"), was heard this day by Zoom videoconference.

ON READING the Motion Record of the Receiver in respect of this motion, filed; the Responding Motion Record of the Respondents returnable September 11, 2025, filed; and the Supplemental Report, filed;

AND UPON hearing the submissions of counsel for the Receiver, counsel for HTC, First Source Financial Management Inc. ("**First Source**"), the Respondents, and such other counsel who were present, no one else appearing although duly served as appears from the Affidavit of Service of Lauren Archibald sworn August 27, 2025.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the First Report.

LISTING AGREEMENT

3. **THIS COURT ORDERS** that the Listing Agreement be and is hereby approved and the Receiver is hereby authorized to enter into and execute the Listing Agreement, *nunc pro tunc*.

SALE PROCESS

4. **THIS COURT ORDERS** that the Sale Process set out in Schedule “B” hereto is hereby approved. The Receiver is hereby authorized to carry out the Sale Process pursuant to the terms thereof and to take such further steps as it considers necessary and desirable in carrying out its obligations thereunder, subject to prior approval of this Court being obtained before completion of any sale transaction under the Sale Process.

5. **THIS COURT ORDERS** that the Receiver and its respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of the Receiver, as applicable, as determined by this Court in a final order that is not subject to appeal or other review.

STALKING HORSE APS

6. **THIS COURT ORDERS** that Stalking Horse APS is hereby approved solely as the stalking horse bid in the Sale Process, provided that, nothing herein approves: (i) the acceptance and/or execution of the Stalking Horse APS by the Receiver; or (ii) the sale and the vesting of any Property to the Stalking Horse Bidder pursuant to the Stalking Horse APS, and the approval and acceptance and execution of the Stalking Horse APS and/or any sale and vesting of any such Property shall be considered by this Court on a subsequent motion made to this Court.

INTERIM RECEIPTS AND DISBURSEMENTS

7. **THIS COURT ORDERS** that the Interim R&D is hereby approved.

SEALING ORDER

8. **THIS COURT ORDERS** that the Confidential Appendices and the Unredacted Affidavit shall be sealed, kept confidential and not form part of the public record, pending completion of the Sale Process or until further Order of this Court. The Sealing Order provided for in this paragraph shall not prevent First Source from seeking to file the Confidential Appendices in connection with its application for a bankruptcy order against Helen Roman-Barber bearing Court File Number BK-25-00208761-OT31 or any other insolvency proceedings involving Helen Roman-Barber and/or King David Inc. before the Ontario Superior Court of Justice provided that, contemporaneously with First Source's filing of the Confidential Appendices, First Source shall also seek a Sealing Order in respect of the Confidential Appendices which Sealing Order shall be substantially in the same form as that provided for in this paragraph, and provided that this Order is without prejudice to any position Helen Roman-Barber may take in BK-25-00208761-OT31 (or that she or King David Inc. may take in any other proceeding (other than as to the proposed sealing order sought in any such proceedings)) including with respect to the admissibility of the Confidential Appendices and the Unredacted Affidavit in such other proceedings.

GENERAL

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any foreign jurisdiction, 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 and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, in each case 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.

11. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date it is made without any need for entry and/or filing.

Jana Steele

Digitally signed by Jana Steele
Date: 2025.09.11 11:08:12 -04'00'

Schedule "A"
Property

PIN 03052-2346 (LT)
PART LOT 23 CON 3 (MKM) PARTS 1 & 2, PLAN 65R35097; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2, PLAN 65R35097 AS IN YR665936; SUBJECT TO AN EASEMENT IN FAVOUR OF PART LOT 23, CON 3 (MKM) PARTS 3 & 4 PLAN 65R35097 AS IN YR626242; CITY OF MARKHAM

PIN 03052-2356 (LT)
PART LOT 23 CON 3 (MKM) PART 5, PLAN 65R35097 EXCEPT PART 8 PLAN 6536851; CITY OF MARKHAM

PIN 03052-2358 (LT)
PART LOT 23, CONCESSION 3 (MKM); SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7, 8 & 14 PLAN 65R30068 AS IN YR665936 (PARTIALLY RELEASED BY YR1567872); SUBJECT TO AN EASEMENT OVER PART 6, PLAN 65R35097 IN FAVOUR OF PART LOT 23 CON 3 (MKM) PARTS 3 & 4, PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

PIN 03052-2359 (LT)
PART LOT 23, CONCESSION 3 (MKM); SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 6 & 13 PLAN 6530068 AS IN YR665936 (PARTIALLY RELEASED BY YR1567872); SUBJECT TO AN EASEMENT OVER PART 6, PLAN 65R35097 IN FAVOUR OF PART LOT 23 CON 3 (MKM) PARTS 3 & 4, PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

Schedule "B"
Sale Process

SALE PROCESS

1. These terms and conditions, and the process described herein shall collectively be hereinafter referred to as the "**Sale Process**".

2. For purposes hereof, "**Stalking Horse Bid**" shall mean the transaction contemplated by the stalking horse asset purchase agreement (the **"Agreement"**) between TDB Restructuring Limited in its capacity as Court appointed receiver (the "**Receiver**") of certain real property owned by King David Inc. (the "**Debtor**"), and Home Trust Company, as purchaser (the **"Stalking Horse Purchaser**"), dated August 8, 2025.

3. The Sale Process will be administered by the Receiver, who will engage Cushman and Wakefield Inc. as its listing agent ("**Listing Agent**"). The roles and responsibilities of the Receiver and its Listing Agent are described in further detail throughout this Sale Process.

4. On September 11, 2025, the Court granted an order (the "**Sale Process Order**") that, among other things: (a) authorized the Receiver to implement a sale process in accordance with the terms hereof; and (b) authorized and empowered the Receiver to enter into the Agreement. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the Sale Process Order or the Agreement, as the case may be.

5. This Sale Process sets out the manner in which: (a) binding bids for executable transaction alternatives that are superior to the sale transaction contemplated by the Agreement involving the property of the Debtor described therein, will be solicited from interested parties; (b) any such bids received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) Court approval of any Successful Bid will be sought.

6. This Sale Process shall be conducted by the Receiver and its Listing Agent who shall be entitled to receive all information in relation to the Sale Process.

7. Parties who wish to have their bids considered must participate in this Sale Process as conducted by the Receiver.

8. This Sale Process will be conducted such that the Receiver and its Listing Agent will:

    a. disseminate marketing materials and a process letter to potentially interested parties identified by the Receiver;

    b. solicit interest from parties with a view to such interested parties entering into nondisclosure agreements in form and substance satisfactory to the Receiver in its sole discretion (each a "**NDA**") (parties shall only obtain access to the data room and be permitted to participate in this Sale Process if they execute an NDA and agree to the additional measures that are required by the Receiver to protect competitively sensitive information);

    c. provide applicable parties with access to a data room containing diligence information; and

d. request that such parties (other than the Stalking Horse Purchaser) submit a binding offer meeting at least the requirements set forth in Section 10 below, as determined by the Receiver (a "**Qualified Bid**"), by the Qualified Bid Deadline (as defined below).

9. This Sale Process shall be conducted subject to the terms hereof and the following key milestones:

a. Commencement of Sale Process: Receiver to commence the solicitation process – as soon as practicable following the granting of the Sale Process Order (the "**Commencement Date**");

b. Qualified Bid Deadline: the deadline to submit a Qualified Bid – 5:00 p.m. Eastern Time on the date that is six (6) weeks following the Commencement Date (the "**Qualified Bid Deadline**");

c. Selection of Successful Bid: the Receiver to review bids submitted by the Qualified Bid Deadline and determine the Successful Bid (in accordance with these procedures);

d. Court Approval: The Receiver will apply to Court for the Approval and Vesting Order (as defined below) – as soon as reasonably practicable following the selection (or deemed selection) of the Successful Bid; and

e. Closing – as soon as reasonably practicable after the Approval and Vesting Order and, in any event, no later than ten (10) Business Days after the Approval and Vesting Order (the "**Outside Date**").

10. In order to constitute a Qualified Bid, a bid must comply with the following:

a. it provides consideration cash consideration of at least $29,900,000 (exclusive of any sales taxes applicable to the transaction) plus the Listing Commission[1] plus $10,000; (the "**Consideration Value**").

b. it provides for the closing of the transaction contemplated thereunder by no later than the Outside Date;

c. it contains:

i. the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, and the name(s) of its controlling equity holder(s) and/or sponsors;

ii. a purchase agreement duly executed and binding on the bidder;

[1] For purposes of the Sale Process, the "Listing Commission" shall mean the commission payable to the Listing Agent pursuant to the listing agreement entered into between the Receiver and the Listing Agent dated ___, 2025. Bidders should consult with the Receiver as to the applicable Listing Commission.

iii. a redline of the purchase agreement to the Agreement;

iv. evidence of authorization and approval from the bidder's board of directors (or comparable governing body) and, if necessary to complete the transaction, the bidder's equity holder(s) in form and substance reasonably satisfactory to the Receiver;

v. disclosure of any connections or agreements with the Debtor or any of its affiliates, any known, potential, prospective bidder, or any officer, manager, director, member or known equity security holder of the Debtor or any of their affiliates; and such other information as may be reasonably requested by the Receiver;

d. it includes a letter stating that the bid is submitted in good faith, is binding and is irrevocable until the earlier of (i) two weeks after the Qualified Bid Deadline; or (ii) notification by the Receiver that another Qualified Bid has been selected as the Successful Bid (the "Irrevocability Period").

e. it provides written evidence of a bidder's ability to fully fund and consummate the transaction (including financing required, if any, prior to the closing of the transaction to finance the receivership proceedings) and satisfy its obligations under the transaction documents, including binding equity/debt commitment letters and/or guarantees covering the full value of all cash consideration and the additional items (in scope and amount) covered by the guarantees provided by affiliates of the bidder in connection with the Successful Bid;

f. it does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;

g. it is not conditional upon:

i. approval from the bidder's board of directors (or comparable governing body) or, if applicable, equity holder(s);

ii. the outcome of any due diligence by the bidder; or

iii. the bidder obtaining financing;

h. it includes an acknowledgment and representation that the bidder:

i. has had an opportunity to conduct any and all required due diligence prior to making its bid, and has relied solely upon its own independent review, investigation and inspection in making its bid;

ii. is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Receiver and its employees, officers, directors, agents, advisors and other representatives, regarding the proposed transaction, this Sale Process, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the proposed transaction documents;

iii. is making its bid on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Receiver or any of its employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in the proposed transaction documents;

iv. is bound by this Sale Process and the Sale Process Order; and

v. is subject to the exclusive jurisdiction of the Ontario Superior Court of Justice (Commercial List) (the "**Court**" with respect to any disputes or other controversies arising under or in connection with this Sale Process or its bid;

i. it specifies any regulatory or other third-party approvals the party anticipates would be required to complete the proposed transaction (including the anticipated timing necessary to obtain such approvals);

j. it is accompanied by a cash deposit (the "**Deposit**") by wire transfer of immediately available funds equal to ten percent (10%) of the Consideration Value, which Deposit shall be retained by the Receiver in an interest bearing trust account in accordance with the terms hereof;

k. it includes a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and

l. it is received by the Receiver by the Qualified Bid Deadline at the email addresses specified on **Schedule "A"** hereto.

11. The Qualified Bid Deadline may be extended by the Receiver, with the prior written consent of the Stalking Horse Purchaser, or by further order of the Court.

12. The Receiver may waive compliance with any one or more of the requirements specified in Section 10 above and deem a non-compliant bid to be a Qualified Bid, provided that the Receiver shall not waive compliance with the requirements specified in Subsections 10 (a), (c), (d), (f), (h), , (k) or (m) without the prior written consent Home Trust Company ("**HTC**"), acting reasonably.

13. Notwithstanding the requirements specified in Section 10 above, the Stalking Horse Bid, is deemed to be a Qualified Bid.

14. If one or more Qualified Bids (other than the Stalking Horse Bid) have been received by the Receiver on or before the Qualified Bid Deadline, the Receiver shall review all Qualified Bids and may, in consultation with HTC, declare a Qualified Bid as the Successful Bid or seek further amendments or clarifications to any bids including the Stalking Horse Bid or establish further procedures for determining a Successful Bid, including as many rounds of bidding as determined necessary in the discretion of the Receiver. Upon completion of this process, the Receiver will select the Successful Bid.

15. If, by the Qualified Bid Deadline, no Qualified Bid (other than the Stalking Horse Bid) has been received by the Receiver, then the Stalking Horse Bid shall be deemed the Successful Bid and shall be consummated in accordance with and subject to the terms of the Agreement.

16. As soon as reasonably practicable following the selection of the Successful Bid, the Receiver, with the assistance of its advisors, shall bring a motion seeking an order, among other things, approving the Successful Bid and vesting title in the successful bidder under the Successful Bid (the "**Approval and Vesting Order**").

17. If a Successful Bid is selected and an Approval and Vesting Order authorizing the consummation of the transaction contemplated thereunder is granted by the Court, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit delivered with a bid, that is not selected as a Successful Bid will be returned, without interest thereon, to the applicable bidder as soon as reasonably practicable (but not later than five (5) Business Days) after the expiration of the Irrevocability Period or such earlier date as may be determined by the Receiver.

18. The Receiver shall be permitted, in its discretion, to provide general updates and information in respect of this Sale Process to any creditor (each a "**Creditor**") on a confidential basis, upon: (a) the irrevocable confirmation in writing from such Creditor that it will not submit any bid in this Sale Process; and (b) such Creditor executing a confidentiality agreement with the Receiver, in form and substance satisfactory to the Receiver.

SCHEDULE "A" – EMAIL ADDRESSES FOR DELIERY OF BIDS

To the Receiver:

btannenbaum@tdbadvisory.ca

jberger@tdbadvisory.ca

nthurairatnam@tdbadvisory.ca

With a copy to the Receiver's counsel:

jennifer.stam@nortonrosefulbright.com

lauren.archibald@nortonrosefulbright.com

First Source Financial Management Inc.

Applicant

-and-

King David Inc. et al.

Respondents

Court File No.: CV-23-00710411-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER
(SALE PROCESS AND STALKING HORSE)

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, ON M5K 1E7

Jennifer Stam LSO#: 46735J
Tel: 416.202.6707
jennifer.stam@nortonrosefulbright.com

Lauren Archibald LSO# 87151U
Tel: 416.278.3787
lauren.archibald@nortonrosefulbright.com

Lawyers for the Receiver

This is Exhibit "**R**" referred to in the Affidavit of **JONATHAN TKATCH** sworn before me on May 14, 2026, at the City of Toronto, in the Province of Ontario in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Signed by:

5B60EEAC601045C...

Commissioner for Taking Affidavits
(or as may be)

David Preger

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00710411-00CL **DATE: April 1, 2026**

NO. ON LIST: 1

TITLE OF PROCEEDING: FIRST SOURCE FINANCIAL MANAGEMENT INC. v. KING DAVID INC. et al

BEFORE: Justice J. Dietrich

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Avi Bourassa	King David Inc.	abourassa@rossnasseri.com
	Helen Roman-Barber	

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jennifer Stam	Counsel for the Receiver	Jennifer.stam@nortonrosefullbright.com
Jeremy Nemers	Counsel for Home Trust Company	jnemers@airdberlis.com

ENDORSEMENT OF JUSTICE J. DIETRICH:

[1] The Receiver seeks to schedule a motion for an approval and vesting order in respect of a stalking horse agreement. The sales process was previously approved on September 11, 2025. The Respondents are in the process of attempting to finalize a refinancing transaction, which, in their view would be superior to the stalking horse transaction. Accordingly, it may be that the Respondents oppose the relief sought by the Receiver.

[2] The Receiver and the Respondents have agreed on the following schedule:

(a) Receiver's motion record to be delivered no later than April 10, 2026;

(b) Any written questions on the Receiver's report to be submitted to the Receiver no later than April 17, 2026;

(c) Responses to written questions by the Receiver to be delivered no later than April 22, 2026;

(d) Responding material to Receiver's motion to be delivered no later May 6, 2026;

(e) Receiver's reply material and factum to be delivered on or before May 12, 2026;

(f) Responding factum to be delivered on or before May 20, 2026; and

(g) Reply factum to be delivered on or before May 22, 2026.

[3] The hearing is scheduled for **two hours on May 25, 2026, commencing at 10:00 am (virtually)**.

[4] All material is to be uploaded to the appropriate bundle in Case Center no later than May 20, 2026 with reply factum to follow.

[5] If, as matters progress, the relief is not opposed, counsel will contact the Commercial List Office to revise the hearing time as appropriate.

Date: Apr 01, 2026

Justice J. Dietrich

CC2 (100) GP INC. -and- **KING DAVID INC.**
Applicant Respondent

Court File No.

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

AFFIDAVIT OF JONATHAN TKATCH
SWORN MAY 08, 2026

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto, Ontario, M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Fax: (844) 670-6009

Lawyers for the Applicant

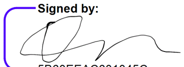
docusign

Certificate Of Completion

Envelope Id: 0EE91104-F1FF-895E-80B9-4A1E134E1C31		Status: Completed
Subject: Complete with Docusign: Affidavit of Jonathan Tkatch.pdf		
Source Envelope:		
Document Pages: 217	Signatures: 2	Envelope Originator:
Certificate Pages: 5	Initials: 0	Fernanda Martins
AutoNav: Enabled		2600 W Big Beaver Rd
EnvelopeId Stamping: Enabled		#300
Time Zone: (UTC-05:00) Eastern Time (US & Canada)		Troy, MI 48084
		FMartins@dickinson-wright.com
		IP Address: 134.231.222.235

Record Tracking

Status: Original 5/14/2026 3:54:13 PM	Holder: Fernanda Martins FMartins@dickinson-wright.com	Location: DocuSign

Signer Events	Signature	Timestamp
David Preger DPreger@dickinson-wright.com Security Level: Email, Account Authentication (None)	Signed by:  5B60EEAC601045C... Signature Adoption: Drawn on Device Using IP Address: 134.231.222.235	Sent: 5/14/2026 3:58:56 PM Viewed: 5/25/2026 12:17:58 PM Signed: 5/25/2026 12:18:34 PM

Electronic Record and Signature Disclosure:
Not Offered via Docusign

Jonathan Tkatch jtkatch@harlocap.com Security Level: Email, Account Authentication (None)	DocuSigned by: Jonathan Tkatch E88B38505A6C461... Signature Adoption: Pre-selected Style Using IP Address: 174.88.8.187	Sent: 5/14/2026 3:58:55 PM Viewed: 5/14/2026 4:02:16 PM Signed: 5/14/2026 4:02:51 PM

Electronic Record and Signature Disclosure:
Accepted: 5/14/2026 4:02:16 PM
ID: 752a8ea3-5790-4121-a6d0-f89593930b35

In Person Signer Events	Signature	Timestamp

Editor Delivery Events	Status	Timestamp

Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp

Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp

Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/14/2026 3:58:56 PM
Certified Delivered	Security Checked	5/14/2026 4:02:16 PM

Envelope Summary Events	Status	Timestamps
Signing Complete	Security Checked	5/14/2026 4:02:51 PM
Completed	Security Checked	5/25/2026 12:18:34 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, Dickinson Wright PLLC (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact Dickinson Wright PLLC:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: mkolb@dickinsonwright.com

To advise Dickinson Wright PLLC of your new email address

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at mkolb@dickinsonwright.com and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

To request paper copies from Dickinson Wright PLLC

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to mkolb@dickinsonwright.com and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Dickinson Wright PLLC

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to mkolb@dickinsonwright.com and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: https://support.docusign.com/guides/signer-guide-signing-system-requirements.

Acknowledging your access and consent to receive and sign documents electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

By selecting the check-box next to 'I agree to use electronic records and signatures', you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Dickinson Wright PLLC as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Dickinson Wright PLLC during the course of your relationship with Dickinson Wright PLLC.

TAB 3

Court File No. CL-26-00000233-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF 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

B E T W E E N:

CC2 (100) GP INC.

Applicant

\- and -

KING DAVID INC.

Respondent

CONSENT

KSV Restructuring Inc. hereby consents to its appointment pursuant to 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, as receiver and manager, without security, of all of the assets, undertakings and properties of King David Inc. including the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof.

DATED the 25th day of May, 2026.

KSV RESTRUCTURING INC.

Signed by:

Per: Bobby Kofman

9CC864AF95294A6...

Name: Bobby Kofman
Title: President

SCHEDULE "A"

LANDS AND PREMISES

PIN: 03052-2361 (LT)

BLOCK 1, PLAN 65M4597; SUBJECT TO AN EASEMENT OVER PART 6 PLAN 65R35097 IN FAVOUR OF PART LOT 23 CONCESSION 3 (MKM) PARTS 3 AND 4 PLAN 65R35097 AS IN YR2616280; CITY OF MARKHAM

Municipal Address: 100 Cathedral High Street, Markham, Ontario

CC2 (100) GP INC. Applicant	-and-	**KING DAVID INC.** Respondent

Court File No. CL-26-00000233-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST
PROCEEDING COMMENCED AT
TORONTO

CONSENT

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto, Ontario, M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Fax: (844) 670-6009

Lawyers for the Applicant

TAB 4

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF 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

THE HONOURABLE	)	……., THE ….TH
	)	
JUSTICE ….	)	DAY OF **[MONTH]**, 2023

B E T W E E N:

CC2 (100) GP INC.

Applicant

- and -

KING DAVID INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties of the Respondent King David Inc. (the "**Debtor**"), was heard this day by Zoom judicial videoconference.

ON READING the affidavit of Jonathan Tkatch sworn on …. and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, counsel for …., no one else appearing although duly served as appears from the affidavit of service of …. sworn …., and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

THIS COURT ORDERS that the time for service of the Notice of Application and Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

THIS COURT ORDERS that 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, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, including, without limitation, the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

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

a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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 or any part or parts thereof;

f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

g) to settle, extend or compromise any indebtedness owing to the Debtor;

h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

k) with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business, 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;

l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the Receiver's administration, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

THIS COURT ORDERS that the Debtor and the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and, 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.

THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to access 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. For greater certainty, and without limiting the generality of the foregoing, the Receiver is authorized and empowered to access and make, retain and take away copies of the Records of the Debtor in respect of the Property located at the offices of the Debtor and the Debtor shall cooperate and shall provide reasonable assistance to the Receiver with respect to such Records and information contained in such Records.

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.

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

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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 Appointment Accounts") and the monies standing to the credit of such Post Appointment 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

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

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.

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.

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

THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “Receiver’s Borrowings Charge”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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.

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

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

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 https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf) 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: …..

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

GENERAL

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.

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

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.

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.

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

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

THIS COURT ORDERS that this Order is effective from today's date and is not required to be entered.

CC2 (100) GP INC. -and- **KING DAVID INC.**
Applicant Respondent

Court File No.

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

ORDER
(Appointing Receiver)

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant

TAB 5

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

~~Court File No. ——~~

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

~~THE HONOURABLE ——~~	~~)~~	~~WEEKDAY, THE #~~
	~~)~~	
~~JUSTICE ——~~	~~)~~	~~DAY OF MONTH, 20YR~~

~~PLAINTIFF[1]~~

~~Plaintiff~~

~~- and -~~

~~DEFENDANT~~

~~Defendant~~

~~ORDER~~
~~(appointing Receiver)~~

~~THIS MOTION made by~~**IN** **THE** ~~Plaintiff[2] for an Order pursuant to~~**MATTER OF** **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] 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") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.~~

~~[1] 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.~~

~~[2] Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

THE HONOURABLE	)	……., THE ….TH
JUSTICE ….	))	DAY OF **[MONTH]**, 2023

B E T W E E N:

CC2 (100) GP INC.

Applicant

- and -

KING DAVID INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and properties of the Respondent King David Inc. (the "**Debtor**"), was heard this day by Zoom judicial videoconference.

ON READING the affidavit of ~~[NAME]~~Jonathan Tkatch sworn ~~[DATE]~~on …. and the Exhibits thereto, and on hearing the submissions of counsel for ~~[NAMES]~~the Applicant, counsel for …., 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 Restructuring Inc. to act as the Receiver,

SERVICE

~~1.~~ THIS COURT ORDERS that the time for service of the Notice of ~~Motion and the Motion~~Application and Application Record is hereby abridged and validated[3] 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~~*Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and section 101 of the ~~CJA, [RECEIVER'S NAME]~~*Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor ~~acquired for, or used in relation to a business carried on by the Debtor~~, including, without limitation, the lands and premises legally described in Schedule "A" hereto, and all proceeds thereof (the ~~"~~"**Property**~~"~~").

RECEIVER'S POWERS

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

a) ~~(a)~~ to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

b) ~~(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) ~~(c)~~ to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course

~~[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.~~

of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

d) ~~(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) ~~(e)~~ to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

f) ~~(f)~~ to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

g) ~~(g)~~ to settle, extend or compromise any indebtedness owing to the Debtor;

h) ~~(h)~~ to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver~~'~~'s name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

i) ~~(i)~~ to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.[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;

j) ~~(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;

~~[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.~~

k) ~~(k)~~ with the approval of this Court, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

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

~~(ii) with the approval of this Court in respect of any transaction in 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,~~]~~[5] shall not be required~~, and in each case the Ontario *Bulk Sales Act* shall not apply.~~;

l) ~~(l)~~ to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

m) ~~(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 Receiver's~~hip~~ administration, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

n) ~~(n)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

o) ~~(o)~~ to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

~~[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.~~

p) ~~(p)~~ to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

q) ~~(q)~~ to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

r) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

~~5.~~ THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, 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 access 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. For greater certainty, and without limiting the generality of the foregoing, the Receiver is authorized and empowered to access and make, retain and take away copies of the Records of the Debtor in respect of the Property located at the offices of the Debtor and the Debtor shall cooperate and shall provide reasonable assistance to the Receiver with respect to such Records and information contained in such Records.

~~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 DEBTOR OR THE PROPERTY

~~9.~~ THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

~~11.~~ THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, 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 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 are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

~~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~~Appointment Accounts~~"~~”) and the monies standing to the credit of such Post ~~Receivership~~Appointment Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

~~14.~~ THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

~~16.~~ THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~“Possession~~"~~”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or 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.[6]

~~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 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

~~[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".~~

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

~~21.~~ THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $~~__________~~500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~"~~“Receiver~~'~~’s Borrowings Charge~~"~~”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

~~23.~~ THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~"A"~~“B” 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 at https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf) 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 ~~'<@>'.~~: …..

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

GENERAL

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

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

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

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

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

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

THIS COURT ORDERS that this Order is effective from today's date and is not required to be entered.

____

~~DOCSTOR: 1771742\8~~

~~**SCHEDULE "A"**~~

~~**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:~~

CC2 (100) GP INC. -and- **KING DAVID INC.**
Applicant Respondent

Court File No.

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

ORDER
(Appointing Receiver)

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant

CC2 (100) GP INC.
Applicant

-and-

KING DAVID INC.
Respondent

Court File No. CL-26-00000233-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

APPLICATION RECORD

DICKINSON WRIGHT LLP
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

DAVID P. PREGER (36870L)
Email: dpreger@dickinsonwright.com
Tel: (416) 646-4606

FERNANDA MARTINS (90679R)
Email: fmartins@dickinsonwright.com
Tel: (416) 644-2866

Lawyers for the Applicant